

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

Report of: [REDACTED]

Office: Las Vegas

Date: 9/18/62

Field Office File No.: 92-461

Bureau File No.: 92-3068

Title:

MORRIS BARNEY DALITZ

Character:

ANTI-RACKETEERING

Synopsis:

DALITZ and associates are taking an active part in local political activities and are supporting candidates friendly to the Desert Inn Hotel and the gambling industry. Subject and several others participated in golf tournament in Monterey, California, in early August, 1962. Sale of Stardust Hotel to United Hotels, Incorporated, which is corporation headed by DALITZ, reported in local press but no sale finalized to date. Subject has done considerable traveling during recent weeks and on 9/4/62, departed for Europe where he anticipated remaining for approximately ten days. [REDACTED]

SUBJECT SHOULD BE CONSIDERED ARMED AND DANGEROUS.

- P -

DETAILS:ACTIVITIES

[REDACTED] advised on various dates in August and early September, 1962, that DALITZ and his associates at the Desert Inn Hotel, Las Vegas, Nevada, were extremely active and interested in political activities in the State of Nevada. They made sizeable cash contributions to practically all of the principal candidates running for election on both major party tickets.

DALITZ and [REDACTED] the Desert Inn Hotel, were in frequent contact with many of these candidates and they discussed together how best to run their various campaigns. DALITZ was also in regular contact with [REDACTED]

he urged [REDACTED] candidates who were also being

LV 92-461

supported by DALITZ. There were a few candidates opposed by the Desert Inn group, including HERMAN MILTON GREENSPUN, candidate for Governor on the Republican ticket. GREENSPUN is editor and publisher of the Las Vegas Sun and has repeatedly attacked DALITZ in the press and accepted no assistance from him to finance his campaign.

He also opposed AL CAHLAN, former editor of the Review Journal, and JAMES G. RYAN, State Assemblyman. Both CAHLAN and RYAN were candidates for County Commissioner for Clark County, Nevada. These two individuals accepted no financial assistance from the Desert Inn group and indicated they would not be influenced by DALITZ and his associates.

Another candidate fully supported by DALITZ and others associated with the gambling industry was JAMES BILBRAY, incumbent County Assessor. [REDACTED]

The primary election was held in the State of Nevada on September 4, 1962, and while GREENSPUN and CAHLAN were both defeated, RYAN was successful in defeating NORMAN WHITE, who was supported by gambling interests. [REDACTED]

[REDACTED] that subject traveled to Pebble Beach, California, where he participated in an amateur invitational golf tournament. [REDACTED]

[REDACTED] concerning the visit of the subject and several of his associates to the Monterey area during the early part of August, 1962. [REDACTED]

[REDACTED]

The entire party left on August 8, 1962. The purpose of the visit appeared to [REDACTED] to be purely a "golf social and vacation". She identified the members of the group as follows:

From the Desert Inn, Las Vegas, Nevada

[REDACTED]

MORRIS DALITZ
WILBUR CLARK

[REDACTED]

From Southern California area

PHIL HARRIS (Prominent entertainer)
HARRY JAMES (Prominent entertainer)

[REDACTED]

From Northern California area

[REDACTED]

From Denver, Colorado

[REDACTED]

From Phoenix, Arizona

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED] It is composed of four
double bedrooms, a living room and privately fenced swimming
pool. According to [REDACTED]
[REDACTED]
[REDACTED]

b7c [REDACTED]
b7D [REDACTED]
[REDACTED]
Two prominent local residents of the Pebble Beach
area were observed to play golf at different times with the
group. They are [REDACTED]
[REDACTED]

[REDACTED] On both of the recent trips to
Pebble Beach. [REDACTED]
[REDACTED]

The group from Las Vegas brought three chauffeurs
who handled baggage, administered rubdowns and generally
acted as flunkies. They were not identified.

All of the above individuals identified as being from
the Desert Inn Hotel, Las Vegas, Nevada, are owners and executives
at the Desert Inn with the exception of [REDACTED]
[REDACTED] who are business associates of subject. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Records of the Peninsula Credit Exchange show that

[REDACTED]

[REDACTED]

Records of the Credit Bureau, San Francisco as of July 23, 1959, show that

[REDACTED]

67C
67D

Credit Bureau records also contain a note concerning [REDACTED] dated July 26, 1957, which states San Francisco Police inquiry stated [REDACTED] is applying for a gambling license in Las Vegas and it is believed [REDACTED] will be granted the license.

No record of arrest of [REDACTED] at San Francisco Police Department, Bureau of Identification as of July 23, 1959, and no record of arrest of [REDACTED] Police Department or San Mateo County Sheriff's Office, California.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

b7C

b7D

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

LEGITIMATE BUSINESS

An article appeared in the Las Vegas Sun newspaper on August 30, 1962, which reflected that the Stardust Hotel in Las Vegas had been sold to United Hotel Corporation for \$14,000,000 as announced by JOHN FACTOR, Stardust Board Chairman. FACTOR and

his wife, RELLA, are the principal stockholders in Stardust Incorporated, which has leased the physical property of the Stardust Hotel to a group headed by MORRIS BARNEY DALITZ.

United Hotel Corporation was formed in 1956 as a result of a merger of WILBUR CLARK's Desert Inn and the Capri Hotel Corporation. United Hotel Corporation then leased the Desert Inn physical property to the Desert Inn Operating group. In May, 1959, a new company called United Resort Hotels, Inc. was formed, which offered the outstanding United Hotel Corporation stock on an installment plan. Total purchase price was approximately \$11,000,000 for which the corporation issued promissory notes to the individual stockholders of United Hotels Corporation.

b2
b7C [redacted] advised on August 31, 1962, that the release to the press regarding the sale of the Stardust Hotel was premature and actually while some negotiations had taken place, the sale had not been finalized. Informant learned, however, that DALITZ, [redacted] were possibly interested in purchasing the Stardust property if the proper financial arrangements could be worked out. It was noted by [redacted] that the Stardust Incorporated is presently receiving \$135,000.00 per month as rental from the Desert Inn group. DALITZ and [redacted] feel that if they purchase the property they would be able to maneuver the financing in such a way that over the space of a couple of years they could possibly profit in the amount of two to three million dollars. DALITZ has indicated he is interested in negotiating further with JOHN FACTOR and [redacted] will enter into further discussion regarding the possible purchase of the Stardust Hotel.

TRAVEL

b2
b7C
b7D [redacted]
[redacted] DALITZ [redacted] and others were in Denver, Colorado, where they were participating in an international golf tournament.

b2
b7C [redacted] advised on August 31, 1962, that DALITZ was planning a trip to London, England, and other parts of Europe and expected to be gone for approximately ten days. It was informant's opinion that the trip to London by DALITZ was primarily to contact [redacted]

LV 92-461

5
b2
b7C
b7D
[REDACTED]
and DALITZ [REDACTED] having a yacht constructed in Norway, which yacht is to be completed in October, 1962. DALITZ also anticipated meeting there with a [REDACTED] who has been employed by DALITZ to [REDACTED]
[REDACTED]

[REDACTED] advised on September 14, 1962, that DALITZ was scheduled to depart for London from New York City on September 6, 1962.

[REDACTED] that on this date DALITZ was in Paris, France.
[REDACTED]

XXXXXX
XXXXXX
XXXXXXFEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- ☒ Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

Section 552Section 552a☐ (b)(1)☐ (b)(7)(A)☐ (d)(5)☐ (b)(2)☐ (b)(7)(B)☐ (j)(2)☐ (b)(3)☒ (b)(7)(C)☐ (k)(1)☒ _____☒ (b)(7)(D)☐ (k)(2)

☐ (b)(7)(E)☐ (k)(3)

☐ (b)(7)(F)☐ (k)(4)☐ (b)(4)☐ (b)(8)☐ (k)(5)☐ (b)(5)☐ (b)(9)☐ (k)(6)☐ (b)(6)☐ (k)(7)

- ☐ Information pertained only to a third party with no reference to you or the subject of your request.

- ☐ Information pertained only to a third party. Your name is listed in the title only.

- ☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

_____ Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

_____ Page(s) withheld for the following reason(s): _____

- ☐ For your information: _____

- ☒ The following number is to be used for reference regarding these pages:

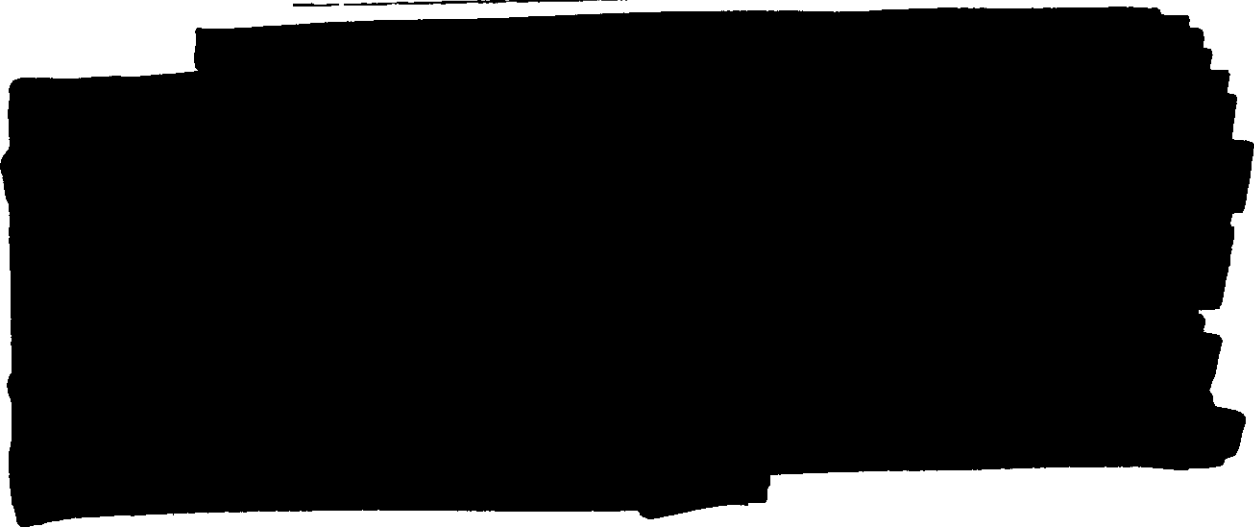
HQ 92 - 3068 - 327 pg 9

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X NO DUPLICATION FEE X
X FOR THIS PAGE X
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LV 92-461

CHARACTERIZATION OF INFORMANTS

b2
b7D
b7C





In Reply, Please Refer to
File No.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada
September 18, 1962

Title MORRIS BARNEY DALITZ, aka

Character ANTI-RACKETEERING

b7C Reference Report of SA [REDACTED]
dated September 18, 1962, at Las Vegas.

All sources (except any listed below) used in referenced
communication have furnished reliable information in the past.

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. DeLoach

DATE: 9-14-62

FROM : M. A. Jones

SUBJECT: [REDACTED]

Tolson ☒
 Belmont ☒
 Mohr ☒
 Casper ☒
 Callahan ☒
 Conrad ☒
 DeLoach ☒
 Evans ☒
 Malone ☒
 Rosen ☒
 Sullivan ☒
 Tavel ☒
 Trotter ☒
 Tele. Room ☒
 Holmes ☒
 Gandy ☒

BACKGROUND:

At 1:16 p. m. today [REDACTED]

[REDACTED] called for the Director. The Director's absence from the city was explained and he was offered an assistant. He declined and indicated he would call back next week. Set forth below is a brief resume of information in Bufiles regarding [REDACTED]

BIOGRAPHICAL DATA:

[REDACTED]

[REDACTED]

[REDACTED]

1 - Mr. DeLoach
1 - Miss Holmes

44-3068-
NOT RECORDED
SENT DIRECTOR'S OFFICE SEP 24 1962
9/15/62

58 OCT 2 1962

SEP 24 1962

Jones to DeLoach Memo

RE: [REDACTED]

INFORMATION IN BUFILES RE [REDACTED]

[REDACTED]

b7c

[REDACTED]

[REDACTED]

According to the current edition of "Editor and Publisher, [REDACTED]

INFORMATION RE HERMAN M. GREENSPUN:

b7c

[REDACTED]

Greenspun, editor and publisher of the Las Vegas Sun, is one of the most controversial figures in Nevada.

b7d

[REDACTED]

Greenspun has an unsavory background, having been the subject of 2 FBI Neutrality Act investigations in 1950 which concerned the illegal shipment of arms to Israel. He was acquitted on one charge but pleaded guilty to another and was given a fine of \$10,000. He was granted a full pardon by President Kennedy on 10-18-61; however, the Director observed, "This rascal should never get a full pardon."

Jones to DeLoach Memo

RE: [REDACTED]

b7c Greenspun has written many articles critical of public officials and in 1952-53 in a series of articles blasting former Senator Joseph McCarthy, he criticized the Director alleging that the Director had entered the "political arena" and even went so far as to question his loyalty. He was the subject of an FBI Bribery investigation in 1952 and a Perjury case in 1957, but prosecution was declined by the Department. In 1954, he was tried and acquitted of postal charges of sending indecent matter through the mails. More recently, he campaigned for the Nevada Republican gubernatorial nomination but was defeated in the primary on 9-4-62 by a vote of more than two to one.

RECOMMENDATION:

For the Director's information should [REDACTED] call back next week.

RM. Duck

F B I

Date: 9/19/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)
 FROM : SAC, LAS VEGAS (92-461) (Sub 1)
 SUBJECT: MORRIS BARNEY DALITZ, aka
 AR
 OO: LAS VEGAS

Re Las Vegas airtel to Bureau dated 9/11/62.

WEEKLY SUMMARY

b2
b7D
 [REDACTED] furnished no pertinent information on 9/9, 10, 11, 12, 13, 14, 15, or 16/62. It is noted that during this period subject was not in the city. According to this source [REDACTED]

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

Information from [REDACTED] if utilized, should be carefully paraphrased in order to further protect the identity of this source. This information is not to be disseminated without Bureau authority.

3-Bureau (R.M.)
 2-Las Vegas
 (1 - 92-461 Sub 1)
 (1 - 92-461)

RBT:jms
 (5)

REC-114
 92-3068-328
 10 SEP 21 1962
 83 SEP 27 1962

Approved: 311/E/AT
 Special Agent in Charge

Per MBE

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (92-3066)

DATE: September 20, 1962

FD 217 BA+LU 9-25-62

FROM : SAC, BALTIMORE (92-346) (RUC)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR
(OO: LAS VEGAS)

ST-115

REC-34

Re Las Vegas airtel to Bureau, 8/31/62

No information has been received by Baltimore which would show there is any association between [REDACTED]

b2
b7c
The following information has been received from [REDACTED] which is believed to refer to the contemplated purchase of a gambling casino in Las Vegas, Nevada by [REDACTED] and possibly other individuals.

On 7/9/62 the informant learned that [REDACTED] contacted [REDACTED] (probably [REDACTED] gambler and slot machine operator) regarding going to Las Vegas. [REDACTED] wanted to know [REDACTED] would be in Las Vegas so that he, [REDACTED] could meet him there and show him the place he is attempting to buy. [REDACTED] indicated the price for the place would be \$700,000 without the bank roll. [REDACTED] apparently thought [REDACTED] could get the place for \$550,000; and [REDACTED] (ph) in New York, and if he could get the place for that price, to go ahead and buy it for him.

On 7/10/62 the informant learned that [REDACTED] contacted [REDACTED] regarding going to Las Vegas to see the "joint." [REDACTED] told that he [REDACTED] and a friend of [REDACTED] are the individuals trying to purchase the place. He said they all plan to meet in Las Vegas and that he is actually holding up the meeting until [REDACTED] can get to Las Vegas to give his opinion of the place.

On 7/31/62 informant learned that [REDACTED] telephonically contacted [REDACTED] and made arrangements [REDACTED] in Atlantic City, New Jersey.

② - Bureau
2 - Las Vegas (92-461)
2 - Baltimore (1 - 92-249)
GME:edb
(6)

56 OCT 1 1962

REC-53

EX-100

SEP 24 1962

92-3066-329

b7C

On 8/1/62 [redacted] telephonically contacted [redacted] in [redacted] and told him that he felt things had come to a standstill as far as the Las Vegas deal was concerned. [redacted] told [redacted] that a friend of his, who is in the machine business, had been in Las Vegas and taken a look at the place, and frankly, this friend [redacted] didn't think too highly of the place. [redacted] commented that this opinion didn't effect his thinking about the place. He stated that [redacted] is "fat" and was comparing the place with the bigger and more extravagant places in Las Vegas. [redacted] also indicated to [redacted] that [redacted] had investigated the price with some friends in Las Vegas, and the price seemed to be in the proper range. [redacted] also told [redacted] that he and [redacted] would be in Atlantic City next week, and suggested that [redacted] come down so the three of them could sit down and talk the deal over and make a "final" offer and either get the place or not.

On 9/5/62 the informant learned that [redacted] telephonically contacted [redacted] and during the conversation stated, [redacted]

It is not known if this last statement refers to the pending Las Vegas deal; however, it is felt that inasmuch as [redacted] is maintaining contact with [redacted] that this deal is still under consideration. In the event further information is obtained regarding this deal Las Vegas will be immediately advised.

DUE TO THE SOURCE FROM WHICH OBTAINED, EXTREME CARE SHOULD BE USED IN DISSEMINATING THIS INFORMATION SO AS TO PROTECT THE SOURCE.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. DeLoach *ED*

DATE: 9-17-62

FROM : Mr. Jones *JH*

SUBJECT: [REDACTED]

Tolson _____
 Belmont _____
 Mohr _____
 Callahan _____
 Conrad _____
 DeLoach _____
 Evans _____
 Malone _____
 Rosen _____
 Sullivan _____
 Tavel _____
 Trotter _____
 Tele. Room _____
 Holmes _____
 Gandy _____

My memo to you of 9-14-62 pointed out that at 1:16 p.m. that date, [REDACTED]

[REDACTED] called for the Director. The Director's absence from the city was explained and he was offered an assistant. He declined and indicated he would call back this week. A brief resume of information in Bufiles concerning [REDACTED] was set forth. In the course of reviewing files ^{today} on a completely unrelated project, a Special Agent of this section, who had knowledge that a memorandum had been prepared Friday on [REDACTED] noted additional information in an airtel from SAC, Las Vegas, dated 8-6-62 on the subject of Morris Barney Dalitz. The information was not indexed to [REDACTED]

According to this airtel, information was received from an informant that [REDACTED]

[REDACTED] The informant described the conversation between [REDACTED] and Dalitz. It is noted that Dalitz is a Top Hoodlum formerly of Cleveland, Ohio, who owns stock in the Desert Inn Hotel. In the course of conversation, [REDACTED] advised Dalitz that [REDACTED] needed some help and there followed a discussion of the individuals in the race. [REDACTED] asked Dalitz if [REDACTED] had talked to him the other day and Dalitz replied, "No, I didn't get to see him, but I know he needs help. We think he's a very nice guy." [REDACTED] told Dalitz, "He's a hell of a guy. He's a very determined fellow who is well liked around town." Dalitz stated, "Here, I'll give you 500 now and if he needs more see me later. Do you want me to give it to you and you give it to him?" [REDACTED] answered, "Yes, I think that would be better than giving it to him direct." Dalitz again reminded [REDACTED] that if he needed a little more later on to let him know, wished [REDACTED] good luck for [REDACTED] and stated that "we would certainly like to see him win."

Briefly, with reference to [REDACTED]

[REDACTED] Desert Inn Hotel from a company controlled by Wilbur Clark, President of the Desert Inn Hotel, and Moe Dalitz, who owns stock in the Desert Inn. It is noted that [REDACTED] Wilbur Clark and Moe Dalitz under the Top Hoodlum program in Las Vegas [REDACTED]

1 - Mr. DeLoach
 1 - Miss Holmes
 ELC: [REDACTED] (5)

SEP 24 1962

NOT RECORDED
 10 SEP 24 1962

ORIGINAL

Jones to DeLoach Memo

Re: [REDACTED]

Subsequently, [REDACTED]

Some allegations were substantiated, others were not. The information was obtained by [REDACTED]

67C [REDACTED] has been involved in a number of unsavory activities including [REDACTED]

[REDACTED] During [REDACTED] political campaign, he has received considerable financial support from the Sands Hotel. It is noted that the income from the [REDACTED] generally amounts to from \$50,000 to \$60,000 per year. It appears that he is receiving income from another source other than [REDACTED] home in Las Vegas which is reportedly in the \$125,000 class.

RECOMMENDATION:

For information.

D9/m

UNITED STATES GOVERNMENT

Memorandum

JUNE

TO : DIRECTOR, FBI (Bufile 92-3068) DATE: 9/13/62
Attn: Assistant Director COURTNEY EVANS

FROM : SAC, LAS VEGAS [REDACTED] b2 b7D

SUBJECT: JUSTIFICATION FOR CONTINUATION OF TECHNICAL OR MICROPHONE SURVEILLANCE

RE: Title MORRIS BARNEY DALITZ, aka

b2 b7D
Character of Case AR
Field Office LAS VEGAS
Symbol Number [REDACTED] - [REDACTED] INFL
Type of Surveillance: (Technical or
Microphone)

1. Name of person or organization on whom surveillance placed:

MORRIS BARNEY DALITZ, Desert Inn Hotel, Las Vegas, Nevada.

2. Address where installation made. Also give exact room number or area covered:

Executive office, Desert Inn Hotel. Space utilized by DALITZ and other hotel executives.

3. Location of monitoring plant:

Las Vegas Office

4. Dates of initial authorization and installation:

Authorized 8/3/61 - Installed 3/22/62

5. Previous and other installations on the same subject (with dates and places):

None

6. If installation is a technical surveillance, answer following questions:

- a. Is a trunk line utilized? REC. 92-3068-330
- b. Is the surveillance on a switchboard? NA2
- c. Is the surveillance on a public coin-operated telephone? NA

1 - Bureau (A.M.) (R.M.)

1 - Las Vegas

Registered Mail

OCT 3 1962

REC'D

- d. Is surveillance on a private line or a party line? **NA**
- e. If a party line, how many parties? **NA**
7. If a microphone surveillance involved, state number of microphones actually used and location of each:
One (Executive offices Desert Inn Hotel)
8. Is the installation part of a tel-mike? If so, give symbol of other side of the combination:
No
9. Specific examples of valuable information obtained since previous report with indication of specific value of each item and the date information received. State what use was made of each item involved: (Add insert pages)
See page 2A
10. Could above information have been obtained from other sources and by other means?
No
11. Number of live informants (in field division) who cover same subject:
Three
12. Has security factor changed since installation?
No
13. Any request for the surveillance by outside agency (give name, title and agency):
No
14. Cost of Plant Premises:
a. Rental costs for plant premises: **None**
b. Give total number of other surveillances monitored at same plant.
Eight

Informant advised on 6/13/62, that on this date DALITZ telephonically contacted [REDACTED] of the Desert Inn Hotel, from Europe. Informant made available [REDACTED] portion of this conversation, which related to hotel operations and other matters of interest.

Informant advised on 6/23/62, that on this date [REDACTED] and others associated with him and with DALITZ met at the Desert Inn Hotel, where they discussed their mutual business interests and also made arrangements for a forthcoming outing to Pebble Beach, California. [REDACTED]

b7c Informant advised on 6/27/62, that on this date WILBUR CLARK, President, Desert Inn Hotel, met with an individual identified as [REDACTED] California. They discussed individuals who had "markers" at the casino and [REDACTED] suggested that the [REDACTED] could collect one of these markers for the hotel if CLARK desired, and it was apparent the [REDACTED] was being paid off to allow bookies to operate in [REDACTED] also advised CLARK that he had [REDACTED]

[REDACTED] told CLARK that he had "enough stuff that's dynamite that'll blow [REDACTED] right out of the water." He indicated he intended to contact a political columnist of a San Francisco newspaper and "send him where he can find another 40,000 and then I want to send him where he can find a \$152,000.00 item. This stuff they can check on and confirm. This 152,000 is what the [REDACTED] gave to him." Information furnished by [REDACTED] indicated [REDACTED] had possibly received money illegally from the [REDACTED] and other sources.

On 7/2/62, DALITZ and [REDACTED] met at the Desert Inn Hotel following DALITZ's return from Europe. [REDACTED] furnished DALITZ confidential information relating to a bribery case in which he paid the bribe money to [REDACTED] ROY COHN, New York City attorney.

Also on 7/2/62, DALITZ, [REDACTED] Desert Inn Hotel, discussed the disposition that is to be made of money apparently removed from the casino cage and used by the individual owners without this money being accounted for in the usual manner. They were disturbed since the home of [REDACTED] had been burglarized and while his money had not been discovered, they were of the opinion it would have been embarrassing and difficult to explain had a large amount of money been found in the home of one of the hotel executives. [REDACTED] pointed out that all of the owners should pick up their money promptly and not leave it laying around for any length of time where it would arouse suspicion.

On 7/3/62, informant furnished considerable information regarding political activities in Nevada and identified candidates to be supported by DALITZ and his associates and outlined strategy to defeat candidates opposed by this group. Informant also advised that DALITZ was attempting to put pressure on sources in Washington through the Nevada representatives in Congress to stop the Federal Grand Jury hearings in Los Angeles, California, and to take the pressure off of the Nevada gambling industry.

On 7/5/62, informant furnished information regarding the Federal Grand Jury hearings in Los Angeles and also identified individuals in Washington, D. C. and New York City whom DALITZ and his associates were considering contacting to persuade them to use their influence in Washington, D. C. on behalf of DALITZ. DALITZ also desires to use these contacts to get DALITZ's name removed from the list of the top forty national hoodlums.

On 7/5/62, informant furnished additional information regarding political activities in Nevada and set forth strategy contemplated by DALITZ and [REDACTED]. It was apparent they completely dominate the Nevada Hotel Association and [REDACTED].

b7C Informant advised on 7/19/62, that DALITZ and [REDACTED] had spent the last two days in Reno, Nevada. They were negotiating there to purchase 254 acres of unimproved land about four miles outside Reno. They anticipate constructing a new \$9,000,000.00, 500 room hotel on this property.

On 7/31/62, informant furnished additional information regarding the [REDACTED] bribery case in New York City and furnished details regarding some of the maneuvering that is taking place in respect to this matter by ROY COHN, who is involved, and other close associates of COHN.

On 8/9/62 and 8/13/62, informant furnished additional information regarding political matters in Nevada and the extent of participation in these activities by individuals associated with the Desert Inn Hotel.

On 8/30/62, informant advised that DALITZ [REDACTED] and their associates are negotiating to purchase the Stardust Hotel, Las Vegas, from its present owner, JOHN "JAKE THE BARBER" FACTOR. Informant also advised that DALITZ was anticipating going to London, England for ten days and would arrive in London on 9/6/62. He anticipated meeting there with [REDACTED] and also with others, probably in regards to a yacht [REDACTED] and DALITZ are having constructed in Norway.

- c. If any others, set out the proportionate cost of instant surveillance:

None

15. Cost of Leased Line for instant installation?

\$29.75

16. Personnel Costs:

- a. Give total number of special employees and/or Special Agents working at plant and total salary costs.

**Three GS-7 clerks full time.
Total cost \$16,065.00 per year.**

- b. Total number of man hours per week spent at plant?

120 hours per week - monitored in office

- c. If other installations monitored at same plant, list proportionate number of man hours per week spent on instant surveillance:

15 hours per week on instant installation

- d. If other installations monitored at same plant, list proportionate salary expense per annum for instant surveillance:

\$2,008.13 per year

17. Remarks (By SAC):

b7c
Informant has continued to furnish extremely valuable information in the Criminal Intelligence field, especially as it applies to MORRIS BARNEY DALITZ, [REDACTED] and others closely associated with them in the hotel ownership and management. This source has also furnished valuable Intelligence information regarding other individuals connected with the hotel and in some instances regarding individuals not associated with the Desert Inn. Informant has identified individuals supported by the Desert Inn group for political offices and in many cases furnished the amount contributed to their respective campaigns by DALITZ and his associates. Informant is in an excellent position to identify undisclosed interests in the Desert Inn Hotel and to furnish information regarding money "skimmed off the top" and distributed among the owners and sources outside

of the state in violation of local gambling regulations.
Instant source will be continued an additional 90 days
UACB since information furnished by this source could not
otherwise be obtained.

18. Recommendation by Assistant Director:

(If this surveillance involves cryptanalysis, include statement that decrypted material is or is not sufficiently important to continue decrypting.)

This misur is located in the executive offices of Morris Barney Dalitz at the Desert Inn Hotel in Las Vegas. Dalitz is, of course, a national hoodlum figure and is head of the group that operates the Desert Inn and Stardust Hotels in Las Vegas. This informant has already provided extremely valuable information in connection with our efforts to penetrate skimming and undisclosed interests in the Nevada gambling industry. Source has also provided extensive information concerning activity of Dalitz and the Desert Inn group in connection with the recent political campaign. Source's continuance is highly recommended.

34

OB5

WJ

Ex

East

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI (92-3068)

DATE: September 27, 1962

FROM : *[Signature]* LEGAT, LONDON (92-14) (RUC)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR

OO: Las Vegas (92-451)

Remylet dated July 25, 1962.

Additional information in this case has been received
from [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- 3 Bureau *USE OF INDEX*
- 1 Foreign Liaison *SECRET*
- 1 London

cc to LV, 0-7, 10/5/62
cc to LV, 0-7, 10/5/62

ACM *[Signature]*
(5) thermo-fax cc made &
forwarded to NYL via 0-7/10-5-62

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5-23-88 BY SP-8 JAK
#274,833

9/18/91 1565 SDP/CLK/KW
205605

b7c

REC-10

92-3068-331

LONDON 92-14

b7c [REDACTED] is further identified in Bufile [REDACTED] which is a bribery investigation currently being conducted in New York City on [REDACTED]

The above is for the information of the Bureau.

FBI

Date: 9/25/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)
 FROM : SAC, LAS VEGAS (92-461) (Sub 1)
 SUBJECT: MORRIS BARNEY DALITZ, aka
 AR
 OO: LAS VEGAS

Re Las Vegas airtel to Bureau dated 9/19/62.

WEEKLY SUMMARY

The following information was furnished by [REDACTED]
 on the dates indicated:

Informant advised on 9/17/62 that on the following day subject returned from a trip to Europe, where he visited Norway, London, and Paris, France.

Informant advised he contacted [REDACTED]

[REDACTED] DALITZ inquired if [REDACTED] had talked to anyone at all about [REDACTED] affair. DALITZ indicated that certain people in New York had him a little worried since pressure was being applied by individuals not identified by DALITZ. He advised [REDACTED] that he was possibly unnecessarily alarmed, but he hoped that everything turned out for the better. He then discussed matters regarding the Desert Inn Hotel with [REDACTED] principally problems which had arisen in connection with construction of a two million addition to the Desert Inn.

Information from [REDACTED] if utilized, should be carefully paraphrased in order to further protect the identity of this source. This information is not to be disseminated without Bureau authority.

3-Bureau (R.M.)

3-Las Vegas (1 - 92-461 Sub 1)

(1 - 92-461)

(1 - 92-377)

C.C. Wick

Approved: [REDACTED]

Special Agent in Charge

Sent

M

Per [REDACTED]

REC-62

92-3068-332

OCT 1 1962

50 OCT 1 1962

LV 92-461 Sub 1

DALITZ subsequently contacted an individual referred to as [REDACTED]. They discussed briefly local political activities and DALITZ also mentioned that as soon as [REDACTED] returns from New York they would all get together and discuss further the Landmark deal. He stated that [REDACTED] had been studying the situation and they had all the information available. Informant has previously indicated that DALITZ and his associates are considering leasing the casino in the Landmark Hotel, which is presently under construction in Las Vegas.

DALITZ then contacted [REDACTED]

b7c [REDACTED] DALITZ was elated over the outcome of the recent primary election in which **TERMAZ MILTON GREENSPUN** was defeated for Governor. DALITZ stated that "it couldn't happen to a nicer guy." He also mentioned to [REDACTED] that he was going to try to get out to his ranch later on in the week, but first he wanted to contact [REDACTED] to see if he would sell DALITZ some railroad ties to be used at his ranch in Gunlock, Utah.

DALITZ then placed a telephone call to [REDACTED]. They also discussed the local political situation and from their conversation it appeared [REDACTED] was having some difficulty with a group not identified. DALITZ stated he would intervene without letting these people know that [REDACTED] suggested he intervene. DALITZ also stated "they got some internal strife down there. They got **ENTRATTER** (**JACK ENTRATTER**, President of the Sands Hotel) going one direction and the rest of them are going another direction, but I'll talk to them. The Sands did make their pledge didn't they." It would appear that the officials of the Sands Hotel are undecided as to whether they will support Republican **ORAN GRASSON** or incumbent Democrat **GRANT SAWYER** for Governor in the forthcoming general elections.

[REDACTED] then entered and entered into a conversation with DALITZ. DALITZ was highly complimentary of the job [REDACTED] had accomplished in defeating **GREENSPUN** in the primary election. He stated that "now possibly people will lose some of their fear of **GREENSPUN** and the more he rants and raves the more they will realize they were right in not nominating him to run for Governor

██████ indicated that ██████ had contacted him and wanted to get together with the other members of the Hotel Association and also with DALITZ. ██████ advised DALITZ that it is known what his question is going to be now. He will want to know if the Hotel Association is going to support him in the general election and he is also going to request financial assistance. DALITZ replied that the hotel is in a situation where they cannot now turn their backs on ██████ but at the same time they cannot oppose ██████. He said to tell ██████ that "we have two fine gentlemen running for ██████ and we believe either one of you would be a credit to the state." He stated that the only thing the hotels could do now, and especially the Desert Inn, is to support both candidates financially, but to take no active part in campaign activities.

b7C ██████ then returned the conversation to GREENSPUN and stated that GREENSPUN was seven months overdue on his payments. DALITZ replied, "Are you sure. The Teamsters didn't pay anything on the golf course. The note is seven months overdue. The people who have the note on the golf course may foreclose."

DALITZ then placed a telephone call to ██████ in Detroit, Michigan. ██████ is believed to be a ██████ who has been associated with DALITZ in the past in business ventures and has ██████ in the ██████ area. DALITZ indicated to ██████ that he had found out an unnamed individual had died a couple of weeks ago. He was concerned since a suit had been filed in Civil Court in Detroit in connection with the death of the unnamed individual and the possibility existed that DALITZ would be subpoenaed to appear as a witness. He stated the deal had taken place twenty years ago and his mind was very hazy on the thing and he certainly did not desire to testify. ██████ evidently advised DALITZ that there was a chance he would not be called to appear but that he was forwarding DALITZ all of the papers relating to the transaction. After DALITZ hung up he explained to ██████ who was still present, that twenty years ago he bought a market with the individual who had died in Detroit. The supermarket had done very well and in a short time they had made enough to pay back all the loans and the money invested. Since DALITZ was in a high tax bracket, he offered to sell the market to his partner approximately ten years ago and the sale was made at that time.

LV 92-461 Sub 1

DALITZ told [REDACTED] he had just returned yesterday from a trip to London. He also went up to Norway, where they are constructing his new yacht and checked on its progress. He stated it would be ready the latter part of October and he was going to Norway and personally bring it down to the Mediterranean. He owns the yacht jointly with [REDACTED] but who is now in New York City.

DALITZ subsequently called [REDACTED] in New York and they discussed DALITZ's trip to Europe and the progress being made on the yacht. DALITZ stated that in addition to going to Norway and London, he had also spent a couple of days in Paris, where he had made inquiries regarding some new acts. He commented that "you couldn't get BRIDGET BARDOT for a hundred thousand dollars." Regarding the boat, he stated that they had to make one more payment and that would complete the payments. He suggested to [REDACTED] that he move his operations to New York.

b7c [REDACTED] and that he standpat until a deal comes along that looks like it's worthwhile. DALITZ cautioned him to beware of promoters. DALITZ stated he had talked to "my people in Paris and they are high on that place we want to visit. I told them to see if they could get the license transferred and maybe make a deal with those people to move."

Informant advised on 9/18/62 that on this date DALITZ met with an unknown individual believed to be [REDACTED] Desert Inn and Stardust Hotels. DALITZ told [REDACTED] that the Desert Inn group had a chance to open up a place in Reno which would probably be the beginning of a new Strip. This location is situated approximately four miles from the city limits towards the airport. He said tentative plans are to construct a 500 room hotel with an 18 hole golf course and an indoor - outdoor swimming pool. DALITZ is of the opinion this is a much more desirable location than the Lake Tahoe area where they have a very short season. They tentatively plan to produce a Lido type French show and also have live entertainment in a large cocktail lounge. The unknown male discussed with DALITZ an entertainment group which had been playing at either the Desert Inn or the Stardust Hotel. During their engagement one individual connected with the act and his wife had lost \$55,000.00 on the crap tables. They lost most of the money at the Desert Inn and the Stardust.

DALITZ then discussed further with the unknown male the situation of [redacted] in New York. DALITZ stated "there is nothing we can do at the present time and I told him when he got in this trouble that we would expect him to stand up and be a man about the thing. He said, don't worry about me, I can take care of myself. Well now I'm not so sure if he has or not. I hear people in New York and elsewhere are doing an awful lot of talking about the matter. *NEV.*

b7c

An individual named [redacted] then entered and discussed with DALITZ a 28 acre plot of land which is owned by the Desert Inn group. This land is presently up for sale and the original asking price was \$500,000.00. [redacted] evidently indicated to the group that he thought he could get \$350,000.00 for the property. [redacted] told him that if he could get 550 he could take a \$25,000.00 commission for himself. DALITZ was very emphatic and stated that under no circumstances did he want anyone inside the organization to secure a commission on anything owned jointly by the group. He stated that he did not even want anyone inside of the organization to purchase the property. DALITZ told [redacted] had a lot of matters on his mind, both personal and otherwise, and that in this case he was not thinking clearly. He explained to [redacted] that he had been in business for many years with MORRIS KLEINMAN, SAMUEL TUCKER, and others, and he did not want any one of them to think at this time that he or [redacted] were making deals behind their back which would result in any one individual securing extra remuneration. He told [redacted] entire future was at stake in New York and that he did not want to call him at this time and burden him with a decision. He felt that [redacted] should devote his full time and energy to his own personal matters until these things were satisfactorily cleared up.

[redacted] then sought the advice of DALITZ on a personal deal in which he had become interested. [redacted] stated that he had an opportunity to purchase a lease on some land located immediately adjacent to the Sands Hotel. This deal, however, involved [redacted]. The three of them were going to take over the lease and then lease the property back to the Sands Hotel or to some other party. [redacted] stated that he did not want any repercussions from anybody and wondered what DALITZ's reaction would be to him entering into a partnership with [redacted]. DALITZ replied that he had [redacted] and he understood him and not only did he not disapprove of the deal, but he thought that possibly the Desert Inn Hotel should do a little more business with [redacted] and during recent months [redacted] had been reported to be carrying money to Switzerland;

LV 92-461 Sub 1

Later in the day several individuals met with informant at the Desert Inn Hotel, at which time they discussed their hothouse tomato farm located adjacent to Las Vegas. They indicated they had already spent approximately \$365,000.00 and that they were going to need additional cash to complete the project. They are putting up thirty buildings, which at the present time are about 90 per cent complete. They will start producing fruit in November of this year and by February will be into maximum production. They anticipate producing approximately two million pounds of tomatoes between now and November and they are going to sell these locally and also on the California market.

Informant furnished no pertinent information on 9/19/62, however, DALITZ was at the Desert Inn Hotel on this date and spoke briefly with several individuals regarding matters primarily connected with the additions to the Desert Inn and Stardust Hotels.

Informant advised on 9/20/62 that on this date DALITZ met with several individuals, at which time they discussed the addition to the Stardust Hotel. They anticipate several new innovations, including a separate entrance for the hotel and casino, and they also anticipate constructing a new restaurant which will serve sea food.

Informant furnished no pertinent information on 9/21, 22, 23, or 24/62.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI (92-3068)

DATE: 9/27/62

FROM : Legat, Mexico (92-26) (P)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR

Remylet 7/19/62.

[REDACTED]

b7C [REDACTED]

LEAD

b7D MEXICO CITY

At [REDACTED]

Will maintain contact with source at [REDACTED] to
determine developments with respect to subject's yacht or
any activities by subject in [REDACTED]

(5) Bureau
(1 Liaison Section)
(2 Las Vegas, 92-461)
1 Mexico City
RLL:mms
(6)

REC-31

92-3068-333

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 9/18/91 BY ISLS [REDACTED]

335605

FBI

Date: 10/9/62

Transmit the following in _____
(Type in plain text or code)Via AIRTEL _____
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)
 FROM : SAC, CHICAGO (92-410)
 SUBJECT: MORRIS BARNEY DALITZ, aka
 AR

Re Las Vegas Airtel to Bureau 10/3/62, relating to information from [REDACTED] part of which pertains to plans for entertainer EDDIE FISHER.

Information contained therein is most interesting to this office and further points up the GIANCANA organization interest in the Villa Venice Supper Club of Wheeling, Illinois, a Chicago suburb. The information contained refers to this establishment, and not the Sahara Inn Motel, as indicated.

The Villa Venice has been run over the years by persons associated with the Chicago Criminal Organization, but was never considered a profitable venture. As a matter of fact, the main business of the Villa Venice came from weddings, private parties, catering groups, etc. It was recently closed for remodeling, and is scheduled for reopening 10/31/62, featuring EDDIE FISHER as the star attraction.

[REDACTED] has reported that it has a seating capacity of 600, and will be the most plush supper club in the Chicago area, possibly nationally, and will far surpass the facilities of the Gigi Room of the Sahara Inn North. GIANCANA is directly interested in this venture, although it has not yet been ascertained if he has an interest of record. A separate case has been opened captioned "VILLA VENICE CLUB, Wheeling, Illinois, AR".

REC-7 92-3068-334
 6 OCT 10 1962
 ③ - Bureau
 1 - Las Vegas (92-461-Sub 1)
 3 - Chicago (92-new)
 (1 - 92-349)
 RRE/DA

Approved: _____

Special Agent in Charge

Sent _____

Per _____

OCT 19 1962

FBI

Date: 10/3/62

Transmit the following in PLAIN TEXT

(Type in plain text or code)

Via AIRTEL AIR MAIL

(Priority or Method of Mailing)

b7c

TO : DIRECTOR, FBI (92-3068)
FROM : SAC, LAS VEGAS (92-461) (Sub 1)
SUBJECT: MORRIS BARNEY DALITZ, aka
AR
OO: LAS VEGAS

JUNE
[REDACTED]

WEEKLY SUMMARY

subject, [REDACTED] advised on 9/28/62 that on this date [REDACTED] Desert Inn Hotel, [REDACTED] TUCKER, principal stockholder, and [REDACTED] Nevada Hotel Association, met together with the informant at the Desert Inn. The discussion centered primarily around what amounts the hotel would contribute to the various candidates running in the general election in Nevada. [REDACTED] indicated that right after the primary he had a discussion with [REDACTED]. They discussed money and other matters relating to the campaign and [REDACTED] inquired of [REDACTED] if he had received any money from the Sahara Hotel in the primary election. [REDACTED] stated he had received only a token contribution and this was not solicited. [REDACTED] made the observation that "that deal of theirs has all been questionable to me". He stated that [REDACTED] was also aware of this and was going to stay away from the Sahara during the general election. After

Information from [REDACTED] if utilized, should be carefully paraphrased in order to further protect identity of this source. This information is not to be disseminated without Bureau authority.

3-Bureau (R.M.)
2-Las Vegas
26 OCT 1962
(1 - 92-461 Sub 1)
(1 - 92-461)

REC-53

92-3068-335

(5) FEB 27 1963

10 OCT 8 1962

Approved: [Signature]
Special Agent in Charge

Sent _____ M Per _____

[Signature]

b2
b7c

11/1/62

L

the election he is going to have [REDACTED] stated that the way it's set up at the present time the operating company cannot operate at a profit. This means that every dollar taken in has to go to Del Webb Corporation, which corporation owns the Sahara property. This in effect makes the Del Webb Corporation also an operating company. Their conversation continued as follows:

67C
DALITZ: That's right, they're sharing the profit. They have also started a monopoly and if it's not all right for us, it shouldn't be all right for them.

[REDACTED]

[REDACTED]

[REDACTED]

DALITZ: We don't want to make it appear that we are dumping anyone and we don't want it known that we are giving [REDACTED] less than [REDACTED]

[REDACTED]

DALITZ: We give each one 2,500. We're playing the middle of the road. Now we'll get some man in Reno to give [REDACTED] another 2,500 of our money and it won't be known where it's coming from. We will tell [REDACTED] what we are doing. We can possibly give the 2,500 to [REDACTED] who is [REDACTED] boy and he can give it to [REDACTED]

At this point DALITZ received a telephone call from [REDACTED] who apparently called from New York City. They discussed the new yacht they are purchasing jointly and DALITZ told him not to worry about the interview, that his (DALITZ') affairs are all in order and he had nothing to worry about. He told [REDACTED] that his affairs were all above board

LV 92-461 Sub 1

and it is really none of their business where you got the money for your half. (The above conversation probably relates to [REDACTED])

DALITZ: They are making a big deal out of that boat. They came to me and said, "Is it true you are giving 250,000 for that boat". I said, "Since you are throwing figures around, make it half a million". You know I won't talk to those guys any more. I just turned and walked away. Never again will I talk to those (Obscene).

67C
DALITZ: This is not an unreasonable amount. Most of the money came from the hotels, however, it is politically unwise to let this information be made public. He has the reputation of being our man because we gave him all that support in the primary.

NEVADA
DALITZ: What do you want to give [REDACTED]. He has future possibilities.

DALITZ: I have some news for you. In that spot I would go strong. That [REDACTED] may give us trouble.

LV 92-461 Sub 1

DALITZ: We will give [REDACTED] something, but we have got to give [REDACTED] more. We can't afford to offend anyone.

b7c The group then discussed the possibility of again inviting the Dunes and Sahara Hotels, Las Vegas, to become members of the Nevada Hotel Association. DALITZ expressed the opinion that [REDACTED] is the individual who is causing them all of the trouble. He stated that some pressure could be put on these two hotels if the hotels who belong to the Association could form a local show reservation agency. Show reservations would be honored only for member hotels, and this would cause the Sahara and the Dunes considerable hardship. NL/P/SF

DALITZ made the observation that all hotels in Las Vegas are doing well at the present time with the possible exception of the New Frontier. The Dunes and the Thunderbird are making money and are doing better than they have for many years.

Other pertinent information furnished by the informant on 9/28/62 is being furnished to the Bureau in separate airtel.

Informant furnished no pertinent information on 9/25, 9/26, 9/27, or 9/29/62.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

FBI

Date: 10/9/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)

FROM : SAC, LAS VEGAS (92-461) (Sub 1)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR
OO: LAS VEGAS

[redacted] advised on 10/3/62, that on this date
[redacted] met at the Desert Inn Hotel, Las Vegas, Nevada.
[redacted] Desert Inn Hotel, who
[redacted] Comments by
[redacted] were frequently not distinguishable since he was not
in the immediate presence of informant.

Information from [redacted] if utilized, should be
carefully paraphrased in order to further protect the identity
of this source. This information is not to be disseminated
without Bureau authority.

3-Bureau (R.M.)
1-Chicago (Info) (R.M.)
1-Los Angeles (Info) (R.M.)
2-[redacted]

5-Las Vegas
(1 - 92-461 Sub 1)
(1 - 92-461)
(1 - [redacted])
(1 - [redacted])
(1 - 92-707 Desert Inn Hotel)

RECEIVED
(12)

REC-60

11 OCT 11 1962

6 FEB 24 1963

EX-10

Sent

M

Dist

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JUNE

b2
b7C

b7C
L

92-3068-336

XXXXXX
XXXXXX
XXXXXXFEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- ☒ Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

Section 552Section 552a☐ (b)(1)☐ (b)(7)(A)☐ (d)(5)☐ (b)(2)☐ (b)(7)(B)☐ (j)(2)☐ (b)(3)☒ (b)(7)(C)☐ (k)(1)☐ _____☐ (b)(7)(D)☐ (k)(2)☐ _____☐ (b)(7)(E)☐ (k)(3)☐ _____☐ (b)(7)(F)☐ (k)(4)☐ (b)(4)☐ (b)(8)☐ (k)(5)☐ (b)(5)☐ (b)(9)☐ (k)(6)☐ (b)(6)☐ (k)(7)

- ☐ Information pertained only to a third party with no reference to you or the subject of your request.
- ☐ Information pertained only to a third party. Your name is listed in the title only.
- ☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

_____ Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

_____ Page(s) withheld for the following reason(s): _____

☐ For your information: _____

- ☒ The following number is to be used for reference regarding these pages:

HQ 92 - 3068 - 336 pg 2

XXXXXX
XXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXX
X DELETED PAGE(S) X
X NO DUPLICATION FEE X
X FOR THIS PAGE X
XXXXXXXXXXXXXXXXXXXXX

FBI/DOJ

LV 92-461 Sub 1

[illegible]

The above appears to be a recital by [REDACTED] of incidents connected with his recent trip to New York City, where he was apparently in contact with United States Attorneys.

Later on on 10/3/62, [REDACTED] placed a long distance telephone call to [REDACTED] to number [REDACTED] in New York City. Following is [REDACTED] portion of the conversation:

[REDACTED]

LV 92-461 Sub 1

b7C

[REDACTED] terminated the above conversation and shortly thereafter telephonically contacted [REDACTED] a local Las Vegas [REDACTED] portion of the conversation is as follows:

LV 92-461 Sub 1

[REDACTED]
[REDACTED] has advised that [REDACTED] of New York
has been in and out of Las Vegas several times in the last week
and he has been in [REDACTED]

(New)

b2

b7C

b7D

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

F B I

Date: 10/3/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)

FROM : SAC, LAS VEGAS (92-461) (Sub 1)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR
OO: LAS VEGAS

5/11/62
b2
b7C

[REDACTED] advised on 9/28/62 that on this date MORRIS BARNEY DALITZ, [REDACTED] GEORGE GORDON, and SAM TUCKER met together at the Desert Inn Hotel with informant. TUCKER and GORDON both reside in Miami, Florida. TUCKER is a principal stockholder of the Desert Inn Hotel and GORDON has been reported to be a collector for the hotel. DALITZ and [REDACTED] are also stockholders and the two dominant figures connected with the hotel operations.

6/10/62

[REDACTED]

DALITZ: Worse than that. Look here how bad it is.

TUCKER: What do they want to do, put him in another hotel in town here?

C. D. Wick

Information from [REDACTED] if utilized, should be carefully paraphrased in order to further protect identity of this source. This information is not to be disseminated without Bureau authority.

- 3-Bureau (R.M.)**
2-Chicago (R.M.)
 1-Detroit (Info) (R.M.)
 1-Los Angeles (Info) (R.M.)
 1-Miami (Info) (R.M.)
 1-New York (Info) (R.M.)
 1-Phoenix (Info) (R.M.)
 1-San Diego (Info) (R.M.)

- EX-114** **REG-92-3068-33**
8-Las Vegas
 (1 - 92-461 Sub 1)
 (1 - 92-461) **6/10/62**
 (1 - [REDACTED])
 (1 - 162-11 GEORGE GORDON)
 (1 - 92-57 SAM TUCKER)
 (1 - [REDACTED])
 (1 - 92-493 RUBY KOLOD)
 (1 - 92-707 Desert Inn Hotel)

RBT:jad
(19) 6 FEB 24 1963

Approved: **6 FEB 24 1963**

Sent

M Per

LV 92-461 Sub 1

DALITZ: No, this is to do favors for our friends in Chicago.

(Handwritten: 1/11/41)

b7c

Las Vegas

[REDACTED]

DALITZ: They want to dump this place and get a whole lot of acts in there and build up a good financial picture.

NEV

NY -
1/1

[REDACTED]

DALITZ: Okay, now I'll fill you in. I get a call last night from [REDACTED]

b2
b7C
b7D

[REDACTED] He says, "MOE listen, what the hell are you doing to us." I said, "Why?" He said, "MOE we don't want to go to that (Obscene) hotel in Chicago. This man's career is at stake." I said, "How did you figure that - these fellows are nice fellows, they are good friends of ours. We would like him to go there. In fact we told them they could use him and we would take him at another time." He said, "MOE you shouldn't have done that. Did you already tell them?" I said, "Yee." He says, "Listen, we expected you to say no because EDDIE doesn't want to - FRANK SINATRA came to EDDIE FISHER and said, 'Look, you're going over here for 18 days, never mind about the Desert Inn, I already handled that. I take care of that. They do what I tell them'." FISHER opens Tuesday in New York with this JULIET PROWSE. It will probably be a big smash and they want to claim the thing right from there. It looks like to me that EDDIE FISHER will say, "Well (Obscene) I won't work 'n either place." I told [REDACTED] we can't keep DURANTE here for seven weeks. If he exposes himself like that he will never be able to come back. I said, we will close the (Obscene) room for three weeks, but let's do the favor. These guys instead of being our friends - I said, [REDACTED] this is your business too." Now I said to [REDACTED] "The (Obscene) I didn't realize the other thing or I wouldn't have made this promise to these people, but I made it." He says, "MOE, you are going to kill not only the Desert Inn thing but you'll kill us. This is an unknown thing in Chicago. What is EDDIE FISHER doing a big smash hit to an unknown place. He should go to the Desert Inn." I'll guarantee it. Why didn't he go to the Riviera. Why didn't he take HARRY BELAFONTE out of here and put him over there.

TUCKER: BELAFONTE is no comparison to EDDIE FISHER.

(All talk at once.)

[REDACTED]

DALITZ: SINATRA already said he takes care of the Desert Inn and it's okay with them if it's okay with FISHER, and now they call me up and say not to say yes. I have already said yes.

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[REDACTED]

TUCKER: Can't they set their dates so that they don't interfere with us. Why don't they change DAVIS around.

DALITZ: Because they think the easiest one to handle is the Desert Inn.

[REDACTED]

b7c

DALITZ: Do you know what I would give out of my pocket - out of the pocket of the Desert Inn. I'd give a \$10,000 or \$15,000.00 note if that's what they asked. Maybe even 20,000 because you can't tell what this is.

[REDACTED]

DALITZ: But EDDIE does not want to go with them.

GORDON: But he wouldn't tell them he wouldn't want to go.

DALITZ: I wouldn't tell them that.

GORDON: But he wouldn't tell them?

DALITZ: No. [REDACTED] insisted, practically threatened me.

[REDACTED]

(Cal-Neva Lodge in Lake Tahoe)

[REDACTED]

DALITZ: He won 35,000 here the last night. We have got to send a wire to the Winter Garden to EDDIE FISHER. Now you are going to have to keep in contact with [REDACTED]

GORDON: I will.

DALITZ: Now there's one other thing. The other day I got a call from [REDACTED]. He has suddenly become charity minded. He came here with a [REDACTED] and they are building a new church and he wants each hotel to put in ten or fifteen thousand. The church is in Detroit. I told him I have trouble getting them to

put it in for a synagogue here in Las Vegas much less a church in Detroit. I said, I can't get that kind of money here. I said, I can probably get you a couple thousand. He says, "Hell that ain't going to do me no good. I need ten or fifteen thousand from each place." He says, "I can get half of it from a guy like SINATRA." I said, "Let's skip SINATRA." He thought I would jump on that. He said, "SINATRA will give thirty or forty thousand." I said, "Fine, I'll call SINATRA for you. I'll call [redacted] up in Reno and you fly up there and you meet with them."

Now I get a letter from the [redacted]

b7C

GORDON: He went to Chicago, but those (Obscenes) wouldn't give him everything. He said they would give him three or four points.

TUCKER: They are trying to put MOE in a bad light because he wouldn't go ahead and do it.

DALITZ: I have been given a job to do - to be a beggar, which I am not by nature. They are now asking me for the donation. I'm not going to give it to them. He must have sent a message to [redacted]. We are trying to be civic minded here for (Obscene) sake. We have our own projects, you tell him, and I will give a little personal contribution to the priest, not to [redacted]. Let the [redacted] tell [redacted]

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GORDON: Okay.

[REDACTED]

TUCKER: Who?

[REDACTED]

DALITZ: MOONEY sent the message back "Thanks very much for helping him out on EDDIE FISHER." [REDACTED] brought the message to [REDACTED] gave it to me.

GORDON: He don't give a (Obscene). I told him I didn't want to go to Chicago. There was a lot of heat there.

The above individuals depart.

[REDACTED] advised on 9/30/62 that on this date DALITZ, TUCKER, and GORDON again met with informant at the Desert Inn Hotel.

DALITZ: I want you to know that anything I say here there is no animosity, demand, or hostility of any nature. It's a normal thing I'm trying to reason out. Look SAM, let me explain my own situation.

[REDACTED]

[REDACTED] When ABE
(ABNER LONGE ZWILLMAN) killed himself [REDACTED]

b7C [REDACTED] I know I don't
like it but not that much. I like Las Vegas and I
like the United States. I feel this way. SAM, [REDACTED]

[REDACTED] But all this has nothing to do -
I'm not trying to cut the ties so I can move somewhere
else. I'm going to keep my boat over in Europe a
couple of years and when I bring it here it will be
as a new vessel. I'll pay the \$14,000.00 duty when
I bring it in. To get the boat built over here would
cost \$300,000.00 and I got it over there for 125,000.
Now I just feel, SAM, I would rather get out. I will
stay for a year if they want me and if not, I'll quit
tomorrow. They can have it any way they want. I'll
want to sell out. I'll want to get off the license
and I'll never be able to get on again once I get off.
I have nothing but good feelings toward everybody, NE
SAM, even MORRIS (MORRIS KLEINMAN) despite all his
(Obscene) tricks and opinion. He wants everybody to
work for him. But even with all that, SAM, I am not
mad at him, neither are any of my other partners.
I just feel if I don't do it, I'm not going to take
care of business anyway, so why be getting the money
for nothing. Here's what I'm worried about. I don't
want to leave a wrecked D.I. I don't want to see it
go down the drain. It's not a case where I want to
leave and say (Obscene) then, it's nothing like that.
Now here's the problem. I know that after I leave
[REDACTED] will be leaving. I don't think you have anyone
who can pitch hit for him. [REDACTED]
[REDACTED] is not able and he is too lazy. He is awfully nice
but has no mentality. Why do you think WILBUR (WILBUR
CLARK) never shows up. He can't keep pace, so good
judgement tells him to stay away. Take a guy like
[REDACTED] I'm telling you what you are going to
be confronted with. [REDACTED] is too blunt. He'd have
everybody in the place fighting him. Neither can you

have [REDACTED]. He has got to stay right where he is. If you want him in that spot you have got to give him more dough and then never out of your kick. If you want it to be out of your kick, you have got to make sure you are protected, and if he don't declare it, then he is the one in trouble. Now you have got to have, and I think we should do this now - I don't want to leave you with a (?). I will be available to come back any time I'm called. I'll just use a name. We can't get this person, but it must be people like him.

We need a [REDACTED] who is a lawyer. He went with [REDACTED] so we can't get him, but we need a man like this who is a Nevada man who is not tainted. He should have a legal and political background. We need someone who can sell the Desert Inn locally. [REDACTED] is a good man. I don't even know his religion. Not

b7c TUCKER: He's Jewish.

DALITZ: People in the community respect that guy. Now [REDACTED] said if the Desert Inn would take care of him, he would move to Las Vegas. He wants to separate from his (Obscene) wife. But this guy is weak - gambling and drinking. Let me tell you if you bring in a nonlawyer you will immediately have trouble with [REDACTED] and some of the others. They will say, "why in the hell did they bring in some outside guy. I've been in the organization." But a lawyer you can bring in because we need a full time lawyer. Remember nothing is an ultimatum. We are in no immediate danger. The Sands is in more trouble than we are. I don't mean by that I'm glad they got the heat and we haven't.

TUCKER: Everybody's got it now.

DALITZ: At the moment there's less hysteria than eight months ago. We haven't been harassed by grand juries yet. At least everybody has decided now to take the fifth. You don't have to remember anything, only one statement. Anyway I told [REDACTED] I might retire and he said, if you do, I think I will go too. I think I told

b7c

GEORGE that definitely. Well here's another problem SAM. If MORRIS KLEINMAN, WILBUR CLARK, or TOM MC GINTY want to get out, then I think maybe we should sell. Why should WILBUR sit around and collect. If he needs the money it would be a different thing. He should volunteer to give it up. I'll tell you the truth, I consider GEORGE (GORDON) in a much different light than I consider RUBY (RUBY KOLOD, casino manager, Desert Inn Hotel). RUBY has not been loyal to me, GEORGE has. I don't feel a thing about RUBY and he has the same feeling towards me. He helped undermine me in certain respects - very cutely and very smartly. If I would be put in GEORGE's shoes and if TUCKER or if SAM, myself, KLEINMAN, MC GINTY, WILBUR, or any par of them decided they wanted to sell out, you know what I would do if I were GEORGE, I would go to Cleveland or Chicago and let them buy it. They have the (?) here at the Riviera. They feel they don't need nobody and may they don't. They have a right to feel they don't. If it's just my share, I would insist the corporation buy me out. I would like to feel that I helped all of the fellows. I'd like to see one or two points go to [REDACTED] (Stardust Hotel), but this would have to be done at the discretion of the other people. When I leave, I'd like to feel I'm welcome to come back here when I want. I do not feel obligated to confer with MC GINTY and WILBUR, but I do feel I should talk to SAM, MORRIS, GEORGE, and all of our fellows. I will let the others know later what I am doing. We have had little lumps like this EDDIE FISHER thing and that kind of (Obscene), but that come with the gain. If I die, [REDACTED] will be in good shape. [REDACTED]

[REDACTED] is going to write a whole book about me. I am going to be the star. I have never done time, never been convicted of anything, indicted only once and that was dismissed, and my Army record is good. Now this guy is going to make a character out of me and there is nothing I can do. If I lay low and pass out of the limelight, things may cool off and pass over.

TUCKER: I admit I don't have the knowledge to carry the hotel 100 per cent. I'm not kidding myself, I can't fill it and that's all.

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The above information is self-explanatory in most respects. It would appear the criminal organization in Chicago, headed by SAM GIANCANA, has put pressure on the Desert Inn to get EDDIE FISHER for a three week engagement at a syndicate owned hotel in Chicago, possibly the Sahara Motel. FRANK SINATRA has acted as intermediary, as has [REDACTED] of the Desert Inn and [REDACTED] of GIANCANA.

b7c [REDACTED] is apparently the Chicago representative at the Desert Inn and as such is acting as liaison between GIANCANA and the Desert Inn group. The substantive case on [REDACTED] will be reopened in the Las Vegas Office for further investigation.

Previous information has indicated GORDON was a collector for the Desert Inn, but in view of the above information it is apparent he has a personal interest in the hotel. This interest is probably either represented by one of the present licensees at the Desert Inn or GORDON is possibly the representative of a third party who is an undisclosed interest holder and resides outside the State of Nevada. Miami is origin in the case on GEORGE GORDON and this case is presently under investigation.

Information copies have been designated for various offices in view of references to individuals residing in these territories or references to individuals in whom these offices have an interest. It is noted that in addition to GORDON, TUCKER, MORRIS KLEINMAN, and T. J. MC GINTY all reside in the Miami Division.

Chicago is requested to furnish its observations and any additional information regarding the forthcoming appearance of EDDIE FISHER in Chicago. Following the appearance of FISHER, consideration could possibly be given to interviewing FISHER and his [REDACTED] if this can be done without jeopardizing Las Vegas source.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

F B I

Date: 10/9/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)

FROM : SAC, LAS VEGAS (92-461) (Sub 1)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR
OO: LAS VEGAS

The following information, which was furnished by [REDACTED] is a continuation of the conversation between subject, [REDACTED] GEORGE GORDON, and SAM TUCKER which was furnished to the Bureau by airtel dated 10/4/62. This meeting took place at the Desert Inn Hotel on 10/2/62.

DALITZ: If we can rearrange ourselves, how much do you think WILBUR (CLARK) should have - he has 16 points now. (CLARK is presently an owner of record of 17.2 per cent of the Desert Inn Hotel.)

GORDON: MOE, I don't know. In order to make him feel comfortable I would say, look here's what we're talking about, here's what we're going to do with ourselves and we expect you to come along with us for a portion.

Information from [REDACTED] if utilized, should be carefully paraphrased in order to further protect the identity of this source. This information is not to be disseminated without Bureau authority.

- 3-Bureau (R.M.)
2-Cleveland (R.M.)
1-Cincinnati (Info) (R.M.)
2-Detroit (R.M.)
2-Louisville (R.M.)
1-Miami (Info) (R.M.)
1-New York (Info) (R.M.)
1-San Diego (Info) (R.M.)

EX 113 12-Las Vegas

(1 - 92-461 Sub 1)

(1 - 92-461)

(1 - [REDACTED])

(1 - [REDACTED])

(1 - [REDACTED])

(1 - [REDACTED])

(1 - [REDACTED])

(1 - [REDACTED])

(1 - [REDACTED])

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(1 - [REDACTED])

(1 - [REDACTED])

(1 - [REDACTED])

OCT 12 1962

6 FEB 27 1963

Approved:

Sent

M Per

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DALITZ: Now wait a minute - He asked me 18,000 times and I didn't tell him about the Stardust. - How many points do you have and how many points does he have at the Stardust? So he went and checked himself.

TUCKER: How did he check?

DALITZ: Well, whoever is there must have told him.

GORDON: Well they don't know exactly what they got. They're carrying 22 a piece. (It is noted that KLEINMAN, DALITZ, and TUCKER are all owners of record of 22 per cent of the Stardust Hotel.)

DALITZ: I don't even know, but he keeps asking me all the time.

b7c
GORDON: The reason I'm bringing that up is he's going to reduce him down to the point over here.

[REDACTED]

GORDON: Another reason I'm bringing it up is that if you're going to reduce him down to what you have here, he may be entitled to come back and say, well why am I not equal over there. (At the Stardust.)

TUCKER: It's not a matter of right or wrong but how much work does he do there.

[REDACTED]

DALITZ: Listen, you guys have been the best partners - what the hell, WILBUR is a very wealthy man. Let's say that we want to give [REDACTED] - let's say that we want to live like he does. I'm going to go to him and I'm going to say to him, WILBUR, I want to live like you, but I can't leave this place. Listen, you got 16 per cent, either you put in all your time here, which I know you're too sick and shouldn't do, or we're going to take off of this to hire [REDACTED] At least if you can't be active we're entitled to put a man in here to help out.

[REDACTED]

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[REDACTED]

DALITZ: You're right on that.

[REDACTED]

b7c

DALITZ: All right let's say we do it that way. What would be the arithmetic?

[REDACTED]

DALITZ: It's just a matter of degree, but we have got to recognize the top people and give them more points.

TUCKER: You look down the line and who are your important organization people. Name them. You know I love

[REDACTED]

TUCKER: Now wait a minute. I'm not saying you have to give BOBBY - I don't think [REDACTED] would care one way or the other, but I want you to know one thing about [REDACTED]. To me he is the backbone of that whole casino. We would be lost without him. He uses his head, not like [REDACTED]. He has everything at his fingertips.

DALITZ: We're trying to strengthen our organization and we're reshuffling our organization. We're trying to fix it up, we're not trying to strengthen it sentimentally. You know what I mean SAM.

[REDACTED]

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DALITZ: We don't know what the future holds. We may have to do something for [REDACTED]. Let me tell you another thing, you know [REDACTED] in the job that he does has to spend more money personally than [REDACTED] and [REDACTED]. [REDACTED] squeezes a buck until it (Obscene).

[REDACTED]

b7c
DALITZ: Maybe we feel [REDACTED] and [REDACTED] are in such a position that they should be given a raise because of their additional expenses.

[REDACTED]

DALITZ: He is a long ways off. He is five years off.

[REDACTED]

GORDON: You have got to think of [REDACTED]

[REDACTED]

DALITZ: You are going over [REDACTED] too. He is the best man over there [REDACTED] (Stardust Hotel). He is a hell of an organization man. He's the best man in the joint.

[REDACTED]

DALITZ: Possible we took three points for [REDACTED]. Would that be big income for him? That would be about 3600 (probably a month) and then we may want to do something for him across the street (at the Stardust).

[REDACTED]

GORDON: (Obscene) you are embracing this man before he ever starts to work.

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[REDACTED]

DALITZ: I'll tell you why I'm a little worried about putting him on the payroll (?).

[REDACTED]

DALITZ: Over there we'll use a salary check then adjust it some.

[REDACTED]

b7C

DALITZ: No, I don't want him on the license. What would his salary be, about 25,000 a year. He's got to have a minimum of 50,000 a year total. There's one thing, if he is going over to the Stardust too, I don't want him to think that is a stepchild to us.

[REDACTED]

DALITZ: I would say this, if it's one point or a salary, he should know because we're going to open ourselves up to him when we give it to him and don't put him on the license.

TUCKER: We don't want to mess with the license, which might be hard to explain.

[REDACTED]

DALITZ: What we are going to have to do is have a meeting up here of the partners every month. Even if we have nothing to discuss, it will keep us close together. Don't you think it would be possible to work out a deal with [REDACTED] even if we have to give him two points. Then any side commissions he gets he would have to put them back in the pot.

[REDACTED]

The above conversation is self-explanatory in most respects. The partners in the Desert Inn and Stardust Hotels are considering bringing [REDACTED]

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b7c
into the organization and giving him three points in the Desert Inn Hotel and also possibly an interest in the Stardust Hotel. They are also considering offering [REDACTED] two points in the Desert Inn Hotel in exchange for the service he has been performing in the past. It is again noted that there is no relationship between the points which are actually on the record and the points which are actually owned by the partners and other individuals connected with the Desert Inn. It appears these points are passed around indiscriminately without making necessary changes on the license as required by state law. There appears to be some hesitancy about bringing [REDACTED] into the organization since it would be necessary to entrust him with certain information, probably skimming operations at the hotel. WILBUR CLARK, president of the Desert Inn Hotel, as has previously been reported, appears to be definitely on the outside and has no active voice in the hotel's operation. However, it does appear that with 16 points he is still the major single stockholder. By taking three points from CLARK he would be reduced to approximately 13 points, which is the approximate amount owned on the record by DALITZ, TUCKER, KLEINMAN, and RUBY KOLOD.

Following the above conversation an individual entered the room who is believed identical with [REDACTED] Ohio, who has been a long time close associate of the Desert Inn group. The conversation continued as follows:

[REDACTED]

GORDON: What is there maintenance there -

[REDACTED]

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GORDON: Yeah.

[REDACTED]

TUCKER: I wasn't there when they made that loan.

[REDACTED]

[REDACTED]

b7c [REDACTED]

GORDON: There's only one thing that - first of all from a real estate value you have 2000 feet on Alexandria Pike. They just put in a new road, which gives you another 2,000 feet on the other side. There are some good home sites in there.

DALITZ: But you'd have to have a developer do it.

[REDACTED]

DALITZ: I'll give you 35,000 for that.

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TUCKER: How would it appear for former owners who sold out in such and such a year to now come back and buy the property.

DALITZ: These guys pleaded guilty, SAM, and they are on probation for two years. Do you know what IRS and the FBI would do. They would come and say, [REDACTED] where is GEORGE getting his money to put in his house and who are his partners in the Desert Inn. Now what the hell, [REDACTED] would say, "Sure all the wops in the world are partners out there." What the hell good are they going to do.

b7c

[REDACTED]

GORDON: What happened was they opened the door. Well [REDACTED] can't stand up like me. I don't let them in the house. He told them to sit down. He couldn't stand there in the ha'l so he let them in the apartment.

[REDACTED]

TUCKER: Who advanced the \$1,000?

[REDACTED]

DALITZ: Shouldn't we talk this over with MORRIS (KLEINMAN). I think he should be in on it because now there is the angle of coming up with this money. The reason I asked that question, AL, is that at 2:00 PM I have another meeting and have got to leave. I thought there was something you wanted to talk to us about that didn't involve MORRIS. If we got to talk this all over again, we might as well wait until tomorrow. MORRIS will have to have his nose in it.

TUCKER: When will he be here?

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DALITZ: He left Miami this morning.

GORDON: He'll be in about 5:15 this evening. He's taking the flight to New Orleans, Houston, and then here.

DALITZ: JAFFE (MILTON, casino manager, Stardust Hotel) talked to him.

[REDACTED]

GORDON: (Obscene) he's coming out for something else.

[REDACTED]

b7c GORDON: Do you know what he told me. He said maybe MOE doesn't want me to use our connections.

DALITZ: [REDACTED] won't cover up for him. He's a [REDACTED] On that real estate deal in New York he was dealing with every TOM, DICK, and HARRY back there. I told him to lay off, but he would not listen. When you are dealing with a [REDACTED] you have got to play it straight.

12/20/72 P

TUCKER: When did MORRIS get the money?

[REDACTED]

DALITZ: I assume he got it in currency. He's going to show too much currency at the end of the year. [REDACTED] will find out these real estate guys had it up for sale for 100,000 less than MORRIS paid for it.

TUCKER: He better watch out for those sharpies in New York.

The conversation then turned to property apparently owned by the group in Cleveland, Ohio. The conversation continued as follows:

[REDACTED]

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[REDACTED]

TUCKER: You know we sent a check up there. We put in 100,000 together on a loan. So I gave a check and MORRIS gave a check for 6875.

[REDACTED]

b7c

DALITZ: I had a chance to sell it and MORRIS wouldn't let me. He said, look, we had some land in Tucson and the guy became a millionaire from it, and we had land in Ft. Lauderdale - I said, you don't guess right all the time.

TUCKER: MOE you are using hindsight.

[REDACTED]

[REDACTED]

DALITZ: How could LOU get it?

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[REDACTED]

DALITZ: If LOB buys it all out, where are we. How much have we got in this thing?

[REDACTED]

DALITZ: What would he do if he bought it?

[REDACTED]

DALITZ: Why don't you go and talk it over. He almost did once before but the price was not quite right.

TUCKER: If we sold out for 340,000 would we get anything back?

DALITZ: We would all come out even and it would help for tax purposes.

b2 [REDACTED] advised further regarding the matters in Beverly Hills, Kentucky and Cleveland on 10/3/62. The same individuals were present at this time in addition to MORRIS KLEINMAN. The discussion followed the same general pattern, with the additional pertinent remarks by individuals present.

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These individuals all left and a short time later [REDACTED] had a brief conversation with [REDACTED] the Desert Inn Hotel who resides in Los Angeles, California. [REDACTED] and [REDACTED] also briefly discussed the situation in Cleveland and Kentucky as it applied to DALLIZ and his associates and then continues their conversation as follows:

[REDACTED]

b7C

[REDACTED]

[REDACTED] then related to [REDACTED] an incident which occurred recently when [REDACTED] to DALLIZ and his associates to construct the Sunrise Hospital, Las Vegas.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

The above conversation relating to the property in Beverly Hills, Kentucky undoubtedly relates to property on which a closed casino is now located. This would be a casino in which GORDON, DALITZ, and the others previously had an interest. [REDACTED] is attempting to work out an arrangement whereby this property can be taken over for the mortgage and the money the present owners have tied up in the property.

b7c

Las Vegas has no additional information regarding the matter relating to MORRIS KLEINMAN and the possible purchase by KLEINMAN of property in New York City.

DALITZ and his associates apparently have an interest in an ice arena located in Cleveland, Ohio. Cleveland is requested to check public records regarding this establishment and furnish Las Vegas with any additional information contained in Cleveland files regarding individuals referred to by [REDACTED].

Detroit is also requested to further identify and secure background information on named individuals who reside in Detroit.

By airtel to the Director dated 10/4/62, Las Vegas requested Louisville to attempt to identify [REDACTED] who apparently has an interest in the Stardust Hotel, Las Vegas. It appears now that [REDACTED] GEORGE GORDON's and that he has recently [REDACTED] and his name is either [REDACTED] (Phonetic). Louisville is requested to attempt to identify this individual.

It is significant that [REDACTED] indicated he maintains a double entry set of books on DALITZ and others. It is not known if he actually maintains two sets of books or if this is the type of bookkeeping method he utilizes, but ^{even} in the conversation it appears he actually maintains two sets of books.

Later on 10/3/62, [REDACTED] met briefly with [REDACTED] referred to above and discussed with him the possibility

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[REDACTED] accepting two points in the Desert Inn Hotel in exchange for the services he has previously performed. [REDACTED] pointed out to [REDACTED] that he now makes approximately \$40,000.00 a year and if DALITZ and his associates gave [REDACTED] one point in the Desert Inn and one point in the Stardust Hotels, it would be worth approximately \$36,000.00 per year. This would be in addition to his salary. However, he would be expected to return all of his commissions to the hotel. [REDACTED] was noncommittal and made the observation that he would probably make more money if he had the points and the salary but he would also be tied down.

It is significant that [REDACTED] indicated that one point at the Desert Inn Hotel and one point at the Stardust Hotel would be worth a total of about \$36,000.00 per year. Since the hotels do not declare a dividend it appears approximately \$18,000.00 per point is taken off the top each year from each hotel. Over a year's period this would amount to a total of approximately \$1,800,000.00 taken illegally from each establishment.

b2
b7c Later on 10/3/62, [REDACTED] advised that [REDACTED] met briefly with the informant and DALITZ at the Desert Inn Hotel. They discussed Nevada political matters and [REDACTED] indicated that each member of the Nevada Hotel Association was going to give [REDACTED] 1,000 bucks. [REDACTED] stated that the Desert Inn Hotel would give him an additional \$2,000.00. Their conversation then continued as follows:

[REDACTED]

DALITZ: (Obscene) he told [REDACTED] that.

[REDACTED]

DALITZ: That he would want to be on it?

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[redacted] advised further on 10/3/62, that later on this date two individuals believed to be [redacted] and possibly [redacted] met with the informant, at which time they counted large sums of money and recorded figures on sheets of paper. These two individuals were not in the immediate presence of informant and statements made by them were frequently out of context and with repeated references to the figures on the sheets of paper in their possession. As a consequence no effort has been made to reconcile the following figures. Their general conversation, with numerous breaks and interruptions, was as follows:

[illegible]

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[REDACTED]

b7c

The two individuals in the room then added up various columns of figures and apparently wrote additional figures down on sheets of paper and then checked these figures back and forth with each other.

[REDACTED]

Additional names were repeated at this time, however, informant was unable to distinguish these names or the amounts they were to receive.

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

b7C The above activity took approximately one and one-half hours and the two individuals counting the money had considerable difficulty making their figures balance and deciding who was to receive how much. Since this activity occurred outside the regular counting room and behind a locked door, it probably represented money taken "off the top" and distributed without accounting for the money for tax purposes.

The \$2,500.00 for JACK BENNY was probably money paid "under the table" to BENNY since he just completed an engagement at the Desert Inn and informant has previously reported that it is the practice of the hotel to pay money under the table to well-known entertainers who are in a high income tax bracket.

might The 2,000 to the Catholic church is possibly the amount DALITZ contributed for the church in Detroit, which money was solicited by [REDACTED]. Details regarding this incident have previously been reported to the Bureau.

[REDACTED] is a close associate of [REDACTED] and [REDACTED] consistently favored them in any matters coming before the [REDACTED]

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It is noted that in one place \$5,000.00 is designated for Chicago and in another place 35,000 is designated. Informant cannot explain this unless Chicago gets 5,000 from the Desert Inn and 35,000 from the Stardust or \$35,000.00 total.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

FBI

Date: OCT 4 1962

Transmit the following in _____
(Type in plain text or code)Via AIRTEL AIRMAIL
(Priority or Method of Mailing)

TO: DIRECTOR, FBI (92-3068)

FROM: SAC, LAS VEGAS (92-461-Sub 1)

MORRIS BARNEY DALITZ, aka.

AR

(OO: LA)

subject, [REDACTED] advised on 10/2/62, that on this date [REDACTED] met together at the Desert Inn Hotel in Las Vegas, Nevada. DALITZ, TUCKER and [REDACTED] are all principal stockholders of the Desert Inn and Stardust Hotels and GEORGE GORDON has been a close associate of this group for many years and apparently has some interest in the Desert Inn and/or Stardust.

NEVADA

DALITZ: I sat in his office when [REDACTED] (phonetic), [REDACTED] called him to see [REDACTED] if they could make [REDACTED].

- EX-113 92-3068-2
339
- | | |
|----------------------------|--------------------------------|
| ③ - Bureau (RM) | (1 - [REDACTED] 1962) |
| 1 - Chicago (Info)(RM) | (1 - 92-21)(JOHN DREW) |
| 2 - Cleveland (RM) | (1 - 92-640)(SAM TUCKER) |
| 1 - Detroit (Info)(RM) | (1 - 162-11)(GEORGE GORDON) |
| 1 - Los Angeles (Info)(RM) | (1 - 92-362)(WILBUR CLARK) |
| 2 - Louisville (RM) | (1 - [REDACTED]) |
| 1 - Miami (Info)(RM) | (1 - 92-455)(ROBT. ROLOD) |
| 1 - San Diego (Info)(RM) | (1 - 92-467)(JOHN ROSELLI) |
| 1 - Las Vegas | (1 - 92-308)(SAMUEL GIANCANA) |
| (1 - 92-461) | (1 - 92-707)(DESERT INN HOTEL) |
| (1 - 162-9)(MORRIS DALITZ) | (1 - 92-706)(STARDUST HOTEL) |

Approved: _____

Sent _____ M Per _____

LV 92-461-Sub 1

[REDACTED]

DALITZ: You see he isn't the same [REDACTED] we know. I lived down there awhile and he's a different man.

[REDACTED]

b7c

CALIF. DALITZ: He is a smart guy and a hard worker. He has done some pretty nice little tricks for us. I'm not knocking the one pointers but the idea is that we can replace them. Now [REDACTED] hasn't given us 20% of his time up till now. How could he, with the Moulin Rouge in Los Angeles? He lost money on that.

[REDACTED]

DALITZ: He held me on a string for 15 years and he didn't do anything.

[REDACTED]

DALITZ: Now in the reshuffling I would give him one point .

[REDACTED]

what is

DALITZ: We would be better having him work directly for the organization.

[REDACTED]

DALITZ: I'd like to change his deal so he's a partner and still let him make as much as he is making out of his commissions. I'm talking about making him a deal just like [REDACTED]

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[REDACTED]

DALITZ: I don't feel like [REDACTED] about [REDACTED] I think we'll get him. It may take time because he may start out a few days a week.

[REDACTED]

b7C

DALITZ: How many points has [REDACTED] got?

[REDACTED]

DALITZ: That's just about what [REDACTED] should have.

[REDACTED]

DALITZ: We should get together and by cutting ourselves down and cutting WILBUR (WILBUR CLARK), give him at least 3 points. There is no problem how many points. How many points do you have?

TUCKER: 16, I think.

DALITZ: How many does WILBUR have?

[REDACTED]

DALITZ: Yea.

[REDACTED]

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DALITZ: Now let's analyze our one percenters. We will have to all go over this again with MORRIS when he comes in (MORRIS KLEINMAN). There are two kinds of one percenters in this place. You got [REDACTED]

*Do these show
in record*

[REDACTED] If we lost anyone of them we would lose a lot of customers but I think guys like [REDACTED] are more valuable to us than [REDACTED]

NEVADA

TUCKER: Each is good in his own right. [REDACTED] makes out that's important.

DALITZ: What I'm trying to evaluate is this. They all seem to be satisfactory. What do you think GEORGE?

GORDON: I have never heard any rumblings.

DALITZ: GEORGE, do you know who the big problem is here? You are the big problem - not that you mean to be.

GORDON: I told you yesterday that everything that happened to me was my fault but this is everything I've got to depend on. Everyone else ended up with outside interest but me [REDACTED] and RUBY.

DALITZ: RUBY? RUBY has no outside interest? He's made a (obscene) full of money around here.

GORDON: You misunderstand me.

DALITZ: Well, you're in with him.

GORDON: No, I've got nothing to do with that. The only thing I was in was Silver Creek and that was a bad deal.

DALITZ: You mean all of these real estate deals you don't get in?

GORDON: He invited me in. I didn't have the money and he said I'll lay it out for you but I wouldn't accept it. You know that SAM. I ain't got nothing to do with any of that.

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TUCKER: No?

DALITZ: Then why can't I make some kind of provision that helps you? Am I right SAM?

GORDON: If it's a gambling deal or a side deal or something like that

DALITZ: I'm looking for something for you without doing anything wrong.

GORDON: I understand.

DALITZ: And I'll find it SAMBO. I'll find it.

GORDON: While we're on the subject of RUBY (RUBY KOLOD) for five minutes I'd like to talk about him. I want there to be harmony you know

DALITZ: I want there to be harmony too.

GORDON: I might get the works because of RUBY because you feel that way about him on account of ROSELLI (JOHN ROSELLI). Him being close to ROSELLI is partially my fault which I think SAM knows.

DALITZ: What's the difference, we take the fifth anyway.

GORDON: We didn't have to be seen with them.

DALITZ: I was seen with them but I didn't think it was a good idea to tie everybody in the mob up. Even if there is no investigation it don't look good for our customers and ROSELLI and a whole gang of guys who are no good sitting there.

GORDON: You try to protect them from the heat MOE but they don't care how much heat they bring you.

DALITZ: I try to protect them as an accommodation.

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GORDON: This is the type of guys they are. They have created a lot of talk that MOE is avoiding so and so. So I said to RUBY, "Listen RUBY, if I happen to be in town and those guys are here I'll kibitz with them and I'll take them out but you talk to them. Someone has to talk to them about this thought that we are avoiding them.

TUCKER: I was thinking of those Detroit guys I see around here (probably referring to [REDACTED] Et Al.).

b7c DALITZ: They want to move in and we can't have that.

[REDACTED]

DALITZ: I don't want to make an issue of ROSELLI. I see ROSELLI and I talk to him but I just don't think we should get married and this is the type of guy you can get married to. He's been giving everyone around here orders.

[REDACTED]

DALITZ: We didn't want him in there. We've got real men. Then he went to MOONEY (SAMUEL GIANCANA) and he said we were using the Stardust for a personal thing. That's all MOONEY needed.

GORDON: MOONEY told me about it.

DALITZ: Did he say that even his own partner ?

GORDON: So I said to MOONEY, "Listen, I don't know about this deal but I'll bet you that MOE is doing the right thing."

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DALITZ: Do you know how many times we went over this to make sure it was all right? I called in JOHNNY DREW. I called in everybody. Now MORRIS went all around the place and they took the cream and gave it to (obscene). Now let me tell you something, SAMBO, how long did we own this here golf course? Eleven years? Ten years? (Desert Inn Golf Course). We haven't filled up all the lots yet and we only had \$0. We are not in the real estate business.

GORDON: At that time we had to capture the money back that we paid for the land and if we came out even we were happy. My only income is what I get from here. The only thing I tried on the outside I tried myself and it went down the drain.

DALITZ: GEORGE, your duties and your work for our organization have been becoming more important and I'll be a (obscene) if we can conceive between us why you can't improve your situation with us. We are going to do it but you cannot throw this in any pocket. And listen, we are not going to do this undercover. This is going to be open and above board. We have got to do it that way.

GORDON: I don't know about the reaction.

DALITZ: Reaction or no reaction we are going to help you. First of all you are taking the rap for RUBY. Maybe you did feel the way you did about someone mixing with these fellows. I can see the logic. I remember when I was doing all the mixing for many years. I couldn't get him to budge. I kept everybody away from him because of the Cincinnati angle. You know how hard it was to keep everybody away from him. You remember living down there and his whole mind was that thing, SAMBO. Now look at RUBY, his actions would have been the same even if that wasn't the

GORDON: If I came to you as an outsider and I'm beefing - what the hell you going to think of me NOE. Take MORRIS for an example.

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DALITZ: A hundred times I've seen these people and when I walk over close they stop talking.

GORDON: No outsider can speak to him about me. This hurts me more than anybody. The fact that there's fighting amongst us, I brought out an instance yesterday with you MOE. You know that argument you had with that (obscene) in Florida? You never said nothing to me the way he talked.

[REDACTED]

b7c GORDON: I was thinking about WILBUR.

DALITZ: We have had one headache after another with this guy. Here is what I thought we might do. I think WILBUR should be cut down to whatever we're going to wind up with. I think we should cut [REDACTED] (phonetic), unknown. We're going to cut [REDACTED] down one more point.

GORDON: You had a good idea about JOHNNY (DREW). He shows up when he wants to just as he pleases. If he is off the payroll I think he will break off.

[REDACTED]

DALITZ: Why should this guy be getting 3,000 a month for doing nothing?

[REDACTED]

DALITZ: With all due respect he is a very sick man. I'll tell you one thing, it will make WILBUR mad (to cut down his points). We will just tell him we are readjusting and that's all there will be to it. I want WILBUR cut down and I want to get [REDACTED] or somebody like him and give him about three points. How many points you got [REDACTED]

[REDACTED]

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DALITZ: Well, you should have at least that.

[REDACTED]

DALITZ: How many does BERNIE (ROTHKOPF) have?

[REDACTED]

67C
GORDON ? : We got about 14 (records reflect RUBY KOLOD has 13.1 and GORDON is not on the license. GORDON possibly has his points with KOLOD.

TUCKER: Does [REDACTED] got any?

GORDON: No, not here but anything I got over there that was open I cut [REDACTED] in as a partner. I made him a full partner over there.

DALITZ: What? Over here [REDACTED] got two. Don't put [REDACTED] in with any changes I make. If you, GEORGE, and all of us feel we got a chance to get him more of that. Do you understand what I mean?

GORDON: Yea. Regardless of what you gave him from here he should have been shown as automatically with those one point guys. You know when everybody got a point there (at the Stardust).

[REDACTED]

GORDON: No, he didn't get that one like everybody else did. What you want to give him is your business. Do you know what I mean? When you originally opened up this ten and two was taken away.

DALITZ: You mean we should have given him another point at that time?

GORDON: Yes.

TUCKER: The 8 points he's got he got from you fellows.

GORDON: We got 8. We gave him two so he has two points.

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GORDON: Definitely not. [REDACTED] is satisfied. You got [REDACTED] Desert Inn [REDACTED] of Cleveland who is presently working at the Desert Inn) here to. You've got to consider them as part of us now, whether they are anymore or not I don't know. [REDACTED] is an owner of record of 5% of the Desert Inn; however, [REDACTED] has no points on the record).

DALITZ: How much has [REDACTED] got?

GORDON: [REDACTED] got 2½ and he gave [REDACTED] of the Hotel) one-half point.

TUCKER: No, they got 5 between them. They got two apiece and [REDACTED] has got one.

GORDON: That's right, they each gave [REDACTED] one-half a point. [REDACTED] should have been that way from the beginning. He should have had that one point like everyone else.

TUCKER: I remember MORRIS (KLEINMAN) was the one who did that. He did everyone wrong.

GORDON: Do you know what he said to me and RUBY? He said you can do whatever you want. You can give [REDACTED] one and you can give [REDACTED] one.

TUCKER: MORRIS says he was going to take it out of his end but what he did was take it away from us and cut it up. It was supposed to be for the one pointers but he put it on top.

GORDON: He put it on top and locked it up you know.

TUCKER: And I don't think you even knew to this day how it works.

GORDON: That's right. Then he says you guys that got 8 you do whatever you want with them. If you want to give [REDACTED] one or [REDACTED] one go ahead. We got 8 and cut it up four ways but he should have had [REDACTED] on with the other guys that went in as bosses for one point.

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DALITZ: All right, I'll adjust that.

GORDON: Like we did with MILTON (JAFPE)? (JAFPE is an owner of record of two points at the Stardust Hotel but [REDACTED] is not an owner of record at either the Desert Inn or the Stardust and cannot be licensed because of his past criminal record). Everybody here who got put in there as a boss, they got a point [REDACTED] and [REDACTED] and all that bunch. (None of the pit bosses at the Stardust are owners of record).

TUCKER: You can adjust that back there without bothering this here.

GORDON: There's no trouble at all about that.

DALITZ: Now you got this to think of. If you make any moves over there the other fellows will think that we are showing partiality and being unfair to them. I have been very careful. I have given their people every break in the world.

GORDON: I don't think there is a problem. You only have two people to consider over there as far as your group and they are MILTON and [REDACTED]

DALITZ: But what we give the others they are entitled to know.

GORDON: Well, I wasn't thinking along those lines unless you were.

DALITZ: We've got to straighten this out. How's [REDACTED] (unknown) getting along for a man that's sick and everything?

TUCKER: Sure, he's tickled to death. I just made an oil deal for him and he's getting 2,000 a month. He couldn't show no income. You know that deal. He tried to buy that deal for 30,000 on top of . . . He don't know what he's doing so I got ahold of [REDACTED] Ohio) and I told him don't let him do it. So I had to get him an income.

DALITZ: If we make some changes there's nothing going to affect [REDACTED] (identity unknown).

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TUCKER: Look MOE, why don't you think this way? In this reshuffle why don't you figure out in your own mind what would satisfy these people and then see what you can do.

b7c

DALITZ: We gave [REDACTED] a point. Remember it, we gave it to him over there. Now he's at the Desert Inn and also the Stardust. Now I don't know that it's necessary but at least we should make some provisions for in the future and maybe give him a point here. I don't feel we should do it now in the reshuffling. [REDACTED] is not an owner of record at either the Stardust or Desert Inn. You know what you got to do [REDACTED] We've got to reshuffle this thing until all these points are the way we want them and when the proper guy comes along we'll be in a position to give him some points. I want WILBUR cut down to our size. I don't think [REDACTED] is entitled to a point. You can set your clock by him when he comes in and goes home. The joint can burn down at 9:15 and he is no where around. I want to adjust [REDACTED] and I want to put on a strong man like [REDACTED]

GORDON: You know a guy like MORRIS is going to beef like hell if he thinks he's going to lose a few bucks.

TUCKER: But your idea MOE is to give more points to the people who are actually operating the place. It gives them more incentive.

DALITZ: I want to hold it to. I don't want to give it all away. I want to make sure that we get the right yield for these things.

TUCKER: Go ahead and round it out, it's all right with me.

DALITZ: Well, SAMBO, maybe before GEORGE goes away we ought to sit down with a pencil and make a skelton draft of what we want to accomplish.

TUCKER: Now there are the guys we are really talking about JOHN (probably JOHN DREW), [REDACTED] and TOM McGINTY. Is there anyone else?

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DALITZ: I don't think so.

TUCKER: Now you want to take from each one of them what you had in mind, is that right?

DALITZ: On this 16 points he claims he's got partners in that.

TUCKER: No, he had 25. No he doesn't.

GORDON: He had 25 of which his brother had some and [REDACTED] some (probably referring to WILBUR CLARK).

TUCKER: Four, two and two is right and he got the wild [REDACTED] (identity unknown) point for him so he's got ten.

GORDON: I thought he had 16. Now maybe it's 17.

TUCKER: See how much money this guy made. Sold his phony stocks to all our customers and all the (obscene) he pulled around here. Listen, he got 15,000 from [REDACTED] I bet you he didn't get a nickel back. (above probably relates to activities of RUBY KOLOD). CALIF

DALITZ: [REDACTED] gave me a present of 15,000 from San Diego from Caliente.

TUCKER: You know RUBY got involved with a million things.

GORDON: Who's [REDACTED]

DALITZ: He owns a race track and now he owns the Coronada Beach Hotel.

TUCKER: You know RUBY made these friends here with our facilities and he capitalizes on them personally. He's got deals with all our customers with [REDACTED]

GORDON: What kind of deals?

TUCKER: Mostly stock, he made a lot of money.

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DALITZ has indicated he desires to dispose of his interest in the Desert Inn Hotel. The above conference appears to relate to new personnel who are being considered for the organization. The above group also concern themselves with the reassigning of points in the Desert Inn and Stardust Hotels. As noted, the point distribution as it appears on the hotel licenses, has no relationship to the actual point distribution. Several of the actual point owners are not on the license at either establishment and cannot be licensed because of their past criminal record.

In the above discussions the Desert Inn and the Stardust appear to be considered separately and the general discussion indicates the Stardust is run generally by and for a group other than the principal licensees. GEORGE GORDON, along with RUBY KOLOD, [REDACTED] and possibly MORRIS KLEINMAN, seem to be primarily associated with this group.

b7c The dispute which arose regarding the Stardust Golf Course evidently arose when KLEINMAN advised SAM GIANCANA that DALITZ, [REDACTED] Et Al., were operating this for their own gain. It is noted that a separate corporation has been formed by DALITZ and his associates for the purpose of constructing homes adjacent to the golf course. KLEINMAN has not been included in these special projects.

DALITZ was criticized by GIANCANA for certain decisions he made in connection with the golf course and it is noted the course itself has continually lost money. These comments give further credence to the belief that the Chicago group has considerable influence if not almost complete control over the Stardust Hotel.

[REDACTED] referred to above, is unknown by Las Vegas and Cleveland is requested to attempt to identify him since he is an associate of [REDACTED] in Cleveland. OH/IO

[REDACTED] is also unknown but he is possibly from the Kentucky, area. Louisville will attempt to identify [REDACTED]

b2 Information from [REDACTED] if utilized, should be carefully paraphrased in order to further protect the identity

LV 92-461-Sub 1

of this source. This information is not to be disseminated
without Bureau authority.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

UNITED STATES GOVERNMENT

Memorandum

TO : Mr. Belmont *WBS*

FROM : C. A. Evans *CE*

SUBJECT: MORRIS BARNEY DALITZ
ANTI-RACKETEERING

DATE: October 12, 1962

Tolson ☒

Belmont ☒

Mohr ☒

Casper ☒

Callahan ☒

Conrad ☒

DeLoach ☒

Evans ☒

Malone ☒

Rosen ☒

Sullivan ☒

Tavel ☒

Trotter ☒

Tele. Room ☒

Holmes ☒

Gandy ☒

Recent information received from our highly confidential sources in Las Vegas indicates that Dalitz, the dominant figure in the operation of the Desert Inn and Stardust Hotels, wants to dispose of his interests in these hotels. He has indicated a desire to "lay low and pass out of the limelight" in the hope that "things may cool off and pass over."

b7C

Dalitz, who is now 63 years of age, came to Las Vegas from Cleveland in 1950, along with a number of his long-time associates in illegal gambling and prohibition era rumrunning. This group included Morris Kleinman, Samuel A. Tucker, Thomas McGinty, Cornelius Jones, Ruby Kolod and [REDACTED]. This group made available the funds which enabled Wilbur Clark to complete construction of the Desert Inn Hotel and Gambling Casino. Dalitz and his associates took over this hotel, and even though Clark is listed as President, he is strictly a figurehead, having little voice in the operation of the hotel.

Dalitz, [REDACTED] and Tucker have recently had lengthy discussions concerning a possible successor to Dalitz. Foremost seems to be [REDACTED] for Dalitz and the Desert Inn. [REDACTED] and has been described by Dalitz as a "smart guy and a hard worker." The consensus of opinion was that if [REDACTED] were to be brought into the operation, it would take between \$75,000 and \$100,000 per year. To accomplish this each of the top owners, and primarily Wilbur Clark, would have to reduce their interest percentage in order to offer [REDACTED] a percentage which would equal this figure.

In addition to the "heat" and pressure from the intensive investigations, Dalitz and his group are apparently at frequent odds with the Chicago organization of Samuel Giancana. Several references were made to the actions of John Roselli, who has "been giving everyone around here orders." Roselli has long been known to be a front man in Las Vegas for Sam Giancana.

REC-60

92-3068-340

EX-100

51 OCT 26 1962

cc To Mr. Tolson

Memorandum to Mr. Belmont
Re: Morris Barney Dalitz
Anti-Racketeering

There has also been conflict with the Chicago group which evidently arose when [REDACTED]

b7C [REDACTED] Dalitz was, thereafter, criticized by Giancana for certain decisions he made in connection with the golf course which has continually lost money.

In addition to the above, Dalitz also indicated that [REDACTED]

He indicated that one of the prime reasons for this difficulty was worry of [REDACTED]

Dalitz indicated also that [REDACTED]


[REDACTED] was going to write a whole book about Dalitz. Dalitz expressed extreme displeasure at this prospect, indicating he had never been convicted of anything. Dalitz, [REDACTED] and Tucker indicated that until all of these problems were solved they planned to meet with all the top owners at least once a month. In view of this our highly confidential source at the Desert Inn should be able to keep us currently apprised of all pertinent developments.


ACTION

This extremely sensitive source is located in the Desert Inn office of Morris Barney Dalitz. It is beginning to provide us with an insight into the hoodlum control over the Nevada gambling industry. We are carefully evaluating all information received as it applies to our efforts to penetrate skimming and undisclosed interests in the Nevada gambling industry.

[Handwritten signatures and initials: "da", "Q", "E", "12/12", and a signature at the bottom right.]

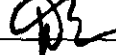
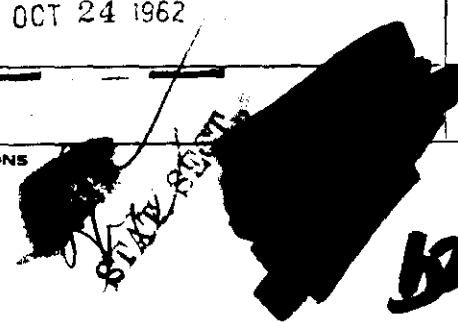
FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE LAS VEGAS	OFFICE OF ORIGIN LAS VEGAS	DATE 10/19/62	INVESTIGATIVE PERIOD 9/15/62 - 10/17/62
TITLE OF CASE MORRIS BARNEY DALITZ, aka		REPORT MADE BY 	TYPED BY jmc
		CHARACTER OF CASE AR	

REFERENCES:Las Vegas report of SA  dated 9/18/62.

- P -

ADMINISTRATIVE: in order to further protect this source of information.INFORMANTS:

APPROVED 	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: 4 - Bureau (92-3068) (R.M.) 2 - Las Vegas (92-461)		92-3068-341	REC-30
26 OCT 24 1962			
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS  62	
AGENCY	REQUEST REC'D	DATE FWD.	HOW FWD.
BY			

20 NOV 7 1962

LV 92-461

LEADS:

LAS VEGAS DIVISION

AT LAS VEGAS, NEVADA

Will follow and report activities of subject.

Additional leads have previously been set out to individual offices by separate communications.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

Report of: [REDACTED]
Date: 10/19/62

Office: Las Vegas

Field Office File No.: 92-461

Bureau File No.: 92-3068-341

Title: MORRIS BARNEY DALITZ

Character: ANTI-RACKETEERING

Synopsis:

Pressure has been put on DALITZ and his associates to secure the services of EDDIE FISHER, entertainer, for a hoodlum controlled club in Chicago. DALITZ has indicated he intends to sell his interest in the Desert Inn Hotel. Informant has advised that one point of the Desert Inn and/or Stardust Hotels, Las Vegas, is worth from \$15,000 to \$18,000 per year. In excess of \$100,000.00 per month is distributed illegally to DALITZ and his associates from hotel proceeds. Subject was recently in Europe where he is having a yacht constructed. The Desert Inn Hotel is supporting most of the local political candidates. Business interests of DALITZ and associates set forth. SUBJECT SHOULD BE CONSIDERED ARMED AND DANGEROUS.

- P -

DETAILS:

[REDACTED]

ILLEGAL ACTIVITIES

[REDACTED] advised in late September, 1962, that ~~MODIE~~ FISHER, well-known entertainer, was scheduled to appear at the Desert Inn Hotel for four weeks beginning the first of November, 1962. SAMUEL M. GIANCANA, who is the head of the Chicago criminal element, and his associates are also reopening the Villa Venice supper club in Chicago at approximately the same time. They desire to build up a good financial picture so they can resell the establishment at a profit after operating for a brief period.

b2
b7c

GIANCANA made it known to DALITZ and his associates that he wanted FISHER, SAMMY DAVIS, JR., FRANK SINATRA, and DEAN MARTIN to appear at the Chicago establishment following its opening. Since the Desert Inn had a contract with FISHER, GIANCANA sent word that he would like FISHER to appear in Chicago from November 1 to November 18, 1962. Since this would only allow FISHER to appear in Las Vegas for approximately one week, this disturbed DALITZ considerably and upset the hotel show schedule. Although DALITZ was unhappy because of the pressure put on them by the Chicago group, he did agree to go along and do them the favor.

The above negotiations were handled through [REDACTED]
[REDACTED]
Desert Inn Hotel. [REDACTED] then advised DALITZ, [REDACTED]
[REDACTED] was also involved in the negotiations. This was all done without the prior approval of FISHER or his [REDACTED]. FRANK SINATRA subsequently went to FISHER and instructed FISHER he was going to appear in Chicago instead of at the Desert Inn. SINATRA indicated that he would handle the Desert Inn since they do what he tells them. This upset FISHER and [REDACTED] because they did not feel an entertainer of FISHER's stature should be working in a new unknown club. DALITZ sent word to [REDACTED] that he had made the promise to GIANCANA and he could not go back on his word. DALITZ indicated he would gladly pay up to \$20,000.00 if he could figure out some way to get out of the deal.

[REDACTED] advised in September, 1962, that DALITZ was desirous of selling his interest in the Desert Inn Hotel and get off the hotel license. He reasoned that if he was no longer associated with the hotel in any capacity that "some of the heat" would possibly be taken away from the hotel and they

could operate normally. DALITZ will stay in his present position until such time as personnel can be trained to assume his present duties. He has expressed some concern because he believes the present hotel personnel are not qualified to take over hotel operations. As a consequence, before he does retire he desires to bring in some outside executive help. He desires to protect his partners when he withdraws and wants to make adequate preparations in advance.

b7c

In this connection, DALITZ, [REDACTED] SAM TUCKER, and other principal hotel executives are considering inviting [REDACTED] to join the organization. [REDACTED] and he is a close associate of the present hotel owners. They plan on offering him a salary of approximately \$50,000.00 a year, plus three points in the Desert Inn. The points will be taken away from those presently held by WILBUR CLARK. Since new men are to be brought into the organization and old employees upgraded, there is to be a general reshuffling of hotel points. Informant learned that GEORGE GORDON of Miami, Florida, who has been a close associate of DALITZ and his partners for many years, definitely has points in the Stardust Hotel which are represented by RUBY KOLOD, Casino Manager at the Desert Inn Hotel. GORDON also possibly has points in the Desert Inn which are represented by KOLOD. [REDACTED] also a long time associate of DALITZ, has two points in the Desert Inn Hotel which are represented by [REDACTED]. [REDACTED] has two points at the Stardust and is in line for at least one additional point in this hotel. All of the original pit bosses who were at the Stardust when this establishment opened in 1958 were given one point each. None of these individuals are owners of record.

Points, which generally correspond to percentages, are distributed indiscriminately at the Desert Inn and Stardust Hotels without regards to the actual point distribution as it appears on the record and as it has been approved by local gaming authorities. The majority of the major stockholders have partners who are not on the licenses.

b2

[REDACTED] advised in early October, 1962, that one point or per cent at the Stardust and/or Desert Inn Hotels in Las Vegas is worth approximately \$15,000 to \$18,000 per year. Since the hotels do not declare a dividend, informant reasoned that this amount is taken "off the top" without accounting for this money for tax purposes. Employees at the hotel who are also stockholders receive a salary in addition to the other remuneration

[REDACTED] advised in early October, 1962, that apparently once a month money which has been taken "off the top" at the Desert Inn Hotel is distributed among the various owners of record and others who have an interest in the hotel. Sums in excess of \$100,000.00 are distributed monthly. DALITZ usually receives in excess of \$10,000.00 from each cut. Money is also designated to sources in Chicago during these distributions. Other individuals are also paid from this pool before the regular distribution is made when it is desired there be no record of these payments. This includes payments to entertainers who are in high income tax brackets. These people are frequently paid cash "under the table" in order to induce them to appear at a particular hotel. It also includes occasional payments to public officials.

GENERAL ACTIVITIES

b2
b7C
b7D [REDACTED] that DALITZ returned from a trip to Europe on September 16, 1962. He was gone from Las Vegas for about ten days and is known by informant to have been in Norway, London, England, and Paris, France. The trip to Norway was to check on the progress of a new yacht he is having constructed in that country.

[REDACTED] advised on September 17, 1962, that DALITZ is purchasing the yacht [REDACTED]

[REDACTED] They have one more payment to make on the boat and this will complete the payments.

[REDACTED] advised in late September, 1962, that DALITZ and his associates at the Desert Inn Hotel were taking an active part in local and state political activities. They have taken the position they cannot afford to offend anyone and they have or are contributing to the political campaigns of practically all candidates in both parties. Most of these contributions have been made through the Nevada Hotel Association but DALITZ and his associates have also made additional contributions to several candidates they feel are especially friendly towards the hotel and the gambling industry.

LEGITIMATE BUSINESS

[REDACTED] advised on September 18, 1962, that DALITZ and his associates are still considering constructing a new hotel and casino in the Reno, Nevada area. They have options on land located about four miles south of the City limits. Tentative plans are to construct a 500 room hotel with an

adjoining 18 hole golf course and an indoor - outdoor swimming pool. They are considering presenting a Lido type French show in the large show room and also have live entertainment in a large cocktail lounge.

b2
b7D [REDACTED] that JOHN FACTOR, landlord of the Stardust Hotel, desires to sell the property and get out of Nevada. To date, however, no one has offered him what he considers a reasonable price.

Plans to expand the Stardust Hotel are still not finalized and the contracts have not been signed by FACTOR and the Desert Inn group. Desert Inn, Inc. is still only paying \$100,000.00 cash per month rental, however, the parties have agreed that the rent shall be raised to \$110,000.00 per month rent, retroactive to January 1, 1962. In exchange for the additional \$10,000.00 rental, FACTOR has agreed to pay Desert Inn, Inc. \$600,000.00, which the Desert Inn has claimed it had coming in connection with the completion of the Stardust Hotel in 1958. The extra \$10,000.00 per month will be credited to Desert Inn, Inc. until the \$600,000.00 is paid off. The rental will subsequently be increased to \$135,000.00 per month when the full \$2,000,000.00 loan is made available by FACTOR to DALITZ and his associates for construction of an addition to the Stardust Hotel. The rental will be increased to \$135,000.00 on a pro rata basis as the money is made available.

FACTOR has continued to have some difficulty with DALITZ and his associates and on several occasions both parties have threatened to back out of the deal involving the expansion plan and the \$2,000,000.00 loan.

b2
b7C [REDACTED] advised in early October, 1962, that DALITZ and his associates were considering purchasing some property in Beverly Hills, Kentucky. A closed casino is presently on this property. [REDACTED] and long time associate of DALITZ, has worked out a plan whereby the property can be purchased for the mortgage plus the money the present owners have tied up in the property. This amounts to approximately \$400,000.00. [REDACTED] is of the opinion this property can be sold in two or three years for around \$700,000.00 since it is presently appraised at \$1,000,000.00.

[REDACTED] advised in early October, 1962, that DALITZ, SAM TUCKER, MORRIS KLEINMAN, and others have an interest in an ice arena in Cleveland, Ohio. This place has been badly mismanaged and is presently losing a considerable amount of money. The arena is rented to a hockey club in Cleveland and

LV 92-461

it is also utilized by the ice capades. The present owners are considering selling this property, which they believe they can do at the present time without losing any of their original investment.

ASSOCIATES

62
67C [REDACTED] advised in late September, 1962, that [REDACTED] nationally-known Detroit hoodlum, has been in Las Vegas recently, at which time he was in contact with DALITZ. The contact was reportedly to raise money for a church in Detroit.

LV 92-461

CHARACTERIZATION OF INFORMANTS

b2
b7C
b7D





*In Reply, Please Refer to
File No.*

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada

October 19, 1962

Title **MORRIS BARNEY DALITZ, aka**

Character **ANTI-RACKETEERING**

b7C

Reference **Report of SA [REDACTED]**
dated October 19, 1962, at Las Vegas, Nevada.

All sources (except any listed below) used in referenced communication have furnished reliable information in the past.

F B I

Date: 10/23/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)

FROM : SAC, LAS VEGAS (92-461) (Sub 1)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR
OO: LAS VEGAS

WEEKLY SUMMARY

b2
b7C

[redacted] advised on 10/5/62 that on this date [redacted] Las Vegas, Nevada, and [redacted] California, met at the Desert Inn Hotel. They discussed several matters of a general nature. [redacted] mentioned that [redacted] had been in town and was representing JOHN "JAKE THE BARBER" FACTOR in negotiations with DALITZ and his associates regarding the possible purchase of the Stardust Hotel from FACTOR. [redacted] as in the past, was very critical of FACTOR and advised [redacted] that he disliked him intensely since FACTOR lied to him on one occasion. [redacted] defended FACTOR and gave FACTOR credit for "bailing him out" when the [redacted] he described FACTOR as being a very kind and considerate person and stated he [redacted] in the Stardust Hotel a dividend on their preferred stock. He has no obligation to do this, but he does it so they will not lose faith in him. He told

Information from [redacted] if utilized, should be carefully paraphrased in order to further protect the identity of this source. This information is not to be disseminated without Bureau authorization.

3-Bureau (R.M.)

6-Las Vegas

(1 - 92-707 Desert Inn Hotel)

(1 - 92-461 Sub 1) (1 - 92-640 SAM TUCKER)

(1 - 92-461)

(1 - [redacted])

Approved: [redacted]

Special Agent in Charge

Sent _____ M Per _____

92-3068-342

[redacted] that if [redacted] would deal with FACTOR out of respect and kindness rather than try to force him into a deal, they would be able to negotiate with each other much more successfully. [redacted] stated he had personally made "several million dollars" since [redacted]. He considers this the "hottest spot in the country" for making money at the present time. He advised [redacted] he had made his money through legitimate real estate deals and had never done anything dishonest or cheated anyone.

b7C [redacted] advised [redacted] that he had been invited by the owners of the Desert Inn Hotel to move to Las Vegas and take a position with the organization. [redacted] urged him to do so because of the unlimited opportunities in this area.

[redacted] at the present time and he feels he has been working too hard in the past and will probably make the change. [redacted] observed that if DALITZ pulls out and anything happens to [redacted] that the hotel under its present management would probably collapse in a week.

[redacted] was critical of [redacted] that should have been thrown away years ago. He said it gave them some ammunition which they now intend to use before the Circuit Court in San Francisco, California.

Informant furnished no pertinent information on 10/6, 10/7, or 10/8/62.

Informant advised on 10/9/62 that on this date [redacted] Desert Inn Hotel. SAM TUCKER, one of the principal owners, and [redacted] met together at the Desert Inn Hotel. They discussed problems they are presently having with IRS Agents. IRS is attempting to secure information regarding IOU's and markers which are incurred in connection with the gambling activities of various individuals at the hotel. IRS has attempted to secure these markers and have traced them through the hotel books to determine if the money, when collected, was actually put back into the company or if the money was "put in the pockets" of the various owners. They cited several hypothetical situations relating to various IOU transactions and decided

that some of their present procedures would have to be changed in order to satisfy IRS. Mention was made on several occasions that "we have nothing to worry about on this score since we have done nothing wrong". From their conversation it appeared that while it would be difficult to prove from the books that all money collected from IOU's was actually accounted for in the proper manner, that no money had actually been misappropriated by this method.

b7C [REDACTED] stated he would meet together with [REDACTED] or [REDACTED], and have them work out a bookkeeping system whereby money secured from IOU's could be properly traced in hotel records.

[REDACTED] stated that in connection with their appeal before the Circuit Court in San Francisco, that he would probably have to get on the stand and explain various aspects of their business operation. He stated IRS has built up a pretty good case and it is possible the Circuit Court may force them to make available their credit cards to IRS Agents. ROEN stated there is one man on the appeals court from Nevada who will "understand our situation."

Informant furnished no pertinent information on 10/10, 10/11, 10/12, 10/13, 10/14, 10/15, 10/16, or 10/17/62.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

F B

Date: 10/22/62

Transmit the following in _____
(Type in plain text or code)

VIA AIRTEL _____
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (166-194)
FROM : SAC, NEW YORK (166-50)
SUBJECT : [REDACTED] ET AL
[REDACTED]
[REDACTED] (OO: MIAMI)

b7c

Re Las Vegas airtel to the Bureau captioned
"MORRIS BARNEY DALITZ aka, AR," OO: LAS VEGAS, dated
10/9/62.

Las Vegas airtel dated 10/9/62, furnished informa-
tion concerning [REDACTED]
Ohio, and a close associate of the Desert Inn Group.

On 10/16/62, [REDACTED]

b7c
b7D

[REDACTED]

- (5) - Bureau (166-194)
(2 - 92-3068)
2 - Cleveland
1 - Las Vegas (92-461)(Info)
2 - Miami (166-43)
1 - New York (92-1942)
1 - New York (92-2163)
1 - New York (166-50)

72-3068-
NOT RECORDED
OCT 26 1962

58 NOV 1 1962

PJB:RM
(1.3)

Approved: _____

Special Agent in Charge

Sent _____

M Per _____

NY 166-50

b7C
b7D

[REDACTED]

[REDACTED]

b2
b7C
b7D

[REDACTED] has previously revealed that [REDACTED] GEORGE GORDON, FBI #279752, Bufile 92-4142, a resident of Miami Beach, Florida, who has gambling interests in Las Vegas, Nevada, and [REDACTED] (INU) from NYC, who apparently is superior to [REDACTED] is accountable to him. [REDACTED] (INU) has been identified as being [REDACTED]

[REDACTED]

It would appear that [REDACTED] may be identical to [REDACTED]

It appears that [REDACTED] is also associated with G.I.B. Inc., 611 The Euclid Building, Cleveland, Ohio, and that he may be involved in the transfer of funds from illegal gambling operations.

LEADS

CLEVELAND

At Cleveland, Ohio

1. Will determine the nature of business conducted by G.I.B. Inc., 611 The 3101 Euclid Building, Cleveland 15, Ohio.

NY 166-50

2. Will attempt to determine at United Airlines if [REDACTED] made reservation for travel to New York on 9/20/62, or 9/21/62, via United Airlines.

3. Will conduct appropriate investigation to determine if [REDACTED] is identical to [REDACTED] who is the accountant for the Desert Inn Group.

MIAMI

At Miami, Florida -

1. Will determine the nature of business conducted by G.I.B. Inc., North Shore Bank, Miami Beach, Florida.

INFORMATION FURNISHED BY [REDACTED]
AND [REDACTED] SHOULD BE PARAPHRASED TO FURTHER
PROTECT IDENTITY OF THESE SOURCES

FBI

Date: 10/16/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)

FROM : SAC, LAS VEGAS (92-461) (Sub 1)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR
OO: LAS VEGAS

Ne 1

[redacted] advised on 10/4/62, that on this date MORRIS KLEINMAN of Miami, Florida, who is one of the principal owners of the Desert Inn Hotel, Las Vegas, Nevada, met at the hotel with [redacted] and [redacted] and [redacted] discussed with KLEINMAN a will KLEINMAN was having prepared. KLEINMAN indicated he desired to leave money to a children's orphanage in Cleveland, Ohio, and also desired to leave \$50,000.00 to GEORGE GORDON.

b2 b7c

[redacted] They have joint bank accounts at the present time. He does not have any appreciable amount of insurance and he advised the only property he owns in Las Vegas in addition to his hotel interest are two pieces of real estate located on Paradise Road in Las Vegas. He estimated their present value as being approximately one-quarter of a million dollars. KLEINMAN did not indicate the approximate size of his present assets, however, he did inquire of [redacted] as to what the approximate tax would be on \$5,000,000.00.

b2 b7c

Information from [redacted], if utilized, should be carefully paraphrased in order to further protect the identity of this source. This information is not to be disseminated without Bureau authority.

b2 b7c

3-Bureau (R.M.)
1-Chicago (Info) (R.M.)
1-Cleveland (Info) (R.M.)
1-Los Angeles (Info) (R.M.)
1-Miami (Info) (R.M.)
1-New York (Info) (R.M.)

8-Las Vegas (1 - 92-461 Sub 1)

(1 - [redacted])
(1 - [redacted])
(1 - 162-10 GEORGE GORDON)
(1 - 162-9 MORRIS KLEINMAN)
(1 - [redacted])
(1 - 92-706 Stardust Hotel)

6-San Diego (Info) (R.M.)

EST: JFC

Sent _____ M Per _____

Special Agent in Charge

JUNE

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39

JUNE

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XXXXX
XXXXXX

**FEDERAL BUREAU OF INVESTIGATION
FOIPA DELETED PAGE INFORMATION SHEET**

1 Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.

- ☒ Deletions were made pursuant to the exemptions indicated below with no segregable material available for release to you.

Section 552

Section 552a

- | | | |
|---------------------------------|-----------------------------------------------|---------------------------------|
| <input type="checkbox"/> (b)(1) | <input type="checkbox"/> (b)(7)(A) | <input type="checkbox"/> (d)(5) |
| <input type="checkbox"/> (b)(2) | <input type="checkbox"/> (b)(7)(B) | <input type="checkbox"/> (j)(2) |
| <input type="checkbox"/> (b)(3) | <input checked="" type="checkbox"/> (b)(7)(C) | <input type="checkbox"/> (k)(1) |
| <input type="checkbox"/> (b)(3) | <input type="checkbox"/> (b)(7)(D) | <input type="checkbox"/> (k)(2) |
| <input type="checkbox"/> (b)(3) | <input type="checkbox"/> (b)(7)(E) | <input type="checkbox"/> (k)(3) |
| <input type="checkbox"/> (b)(3) | <input type="checkbox"/> (b)(7)(F) | <input type="checkbox"/> (k)(4) |
| <input type="checkbox"/> (b)(4) | <input type="checkbox"/> (b)(8) | <input type="checkbox"/> (k)(5) |
| <input type="checkbox"/> (b)(5) | <input type="checkbox"/> (b)(9) | <input type="checkbox"/> (k)(6) |
| <input type="checkbox"/> (b)(6) | | <input type="checkbox"/> (k)(7) |

- ☐ Information pertained only to a third party with no reference to you or the subject of your request.
- ☐ Information pertained only to a third party. Your name is listed in the title only.
- ☐ Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.

Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).

Page(s) withheld for the following reason(s): _____

- ☐ For your information: _____

- ☒ The following number is to be used for reference regarding these pages:

HQ 92 - 3068 - 1st RECORDED 177 10/16/62 pg. 3

XXXXXXXXXXXXXXXXXXXXX
X DELETED PAGE(S) X
X NO DUPLICATION FEE X
X FOR THIS PAGE X
XXXXXXXXXXXXXXXXXXXXX

LV 92-461 Sub 1

[REDACTED]

b7c [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The above discussion relates to the possible purchase of the Stardust Hotel property, now owned principally by JACK FACTOR, by the Desert Inn group, which now leases the hotel and casino. FACTOR evidently is anxious to sell this property and DALITZ and his associates are apparently also interested in purchasing the Stardust. One possible obstacle is the loan of \$6,000,000.00 to FACTOR by the Teamster's Pension Fund in Chicago. FACTOR has recently borrowed this money for the purpose of constructing an addition to the Stardust and also paying off some of the present hotel creditors. \$2,000,000.00 of the loan is to be turned over to the Desert Inn to finance the construction and as this money is turned over to DALITZ and his associates the monthly rental is to be increased on a pro rata basis until it reaches a maximum of \$135,000.00 per month.

b7c While discussing the Teamster loan, [REDACTED] made the observation that RICHARD NIXON, Republican candidate for Governor of California, recently constructed a \$150,000.00 home in the Los Angeles area and he secured a \$130,000.00 loan from the Teamster Union to finance the home.

[REDACTED]

[REDACTED] advised on 10/5/62 that on this date an individual believed to be identical with [REDACTED]
[REDACTED] met at the Desert Inn Hotel with DALYZ,
and [REDACTED] inquired of [REDACTED] as to who dreamed
up the GRIMMCK wheatey. [REDACTED] would get his money for the
[REDACTED]. Their conversation was
as follows:
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

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COE
in

LV 92-461 Sub 1

stated he would get ahold of FACTOR and [REDACTED] FACTOR, DALITZ, and [REDACTED] would meet together later in the day.

67C From the conversation some difficulty had apparently arisen in connection with the \$6,000,000.00 Teamster loan. The Teamster Fund officials insisted on a "gambling clause" being included in the contract. This apparently provided that in the event gambling was outlawed in the State of Nevada, that the Fund would have the option of foreclosing on the property. The Teamster group also apparently insisted that the Stardust be insured for its full amount, even though they had a mortgage for only \$6,000,000.00. [REDACTED] and the others were opposed to this condition in the contract. In connection with this [REDACTED] contacted [REDACTED] and suggested [REDACTED] get in touch with [REDACTED] for the Fund in Chicago, and see if something agreeable could not be worked out. In his telephonic conversation with [REDACTED] stated that [REDACTED] and JACK FACTOR are in town and they are going to meet with MOF and [REDACTED]. He stated that sometimes these people can settle things on the basis that lawyers can't and as a consequence he suggested they hold their discussions in abeyance until after the aforementioned meeting.

The connection [REDACTED] has with the above named individuals is not clear, however, it is possible that he is either representing FACTOR in the deal with the Desert Inn group or he is representing the Teamster's Pension Fund in Chicago. There is also the possibility that since [REDACTED] is a close associate of the Chicago criminal syndicate, that he may have been at the hotel representing this group.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

F B I

Date: 11/7/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)

FROM : SAC, LAS VEGAS (92-461) (P)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR
OO: LAS VEGAS

[REDACTED] advised on 11/2/62 that on this date subject met with the informant and [REDACTED] at the Desert Inn Hotel, Las Vegas, Nevada. Following are portions of their conversation:

[REDACTED]

Information from [REDACTED] if utilized, should be carefully paraphrased in order to further protect the identity of this source. This information is not to be disseminated without Bureau authority.

NOV. 9 1962

3-Bureau (R.M.)
3-Detroit (R.M.)

5-Las Vegas (1-92-461)
(1-92-461 Sub 1)

[REDACTED]
(1-92-707 Desert Inn Hotel)

6

Approved: [REDACTED]

Special Agent in Charge

Sent _____ M Per _____

LV 92-461

[REDACTED]

DALITZ: Does that include the golf course and all?

[REDACTED]

b7c

DALITZ: [REDACTED] hasn't got a chance of getting a license regardless of how clean he is. He doesn't have a chance. I couldn't get a license if I was with that bunch and I don't think he can.

[REDACTED]

DALITZ: They may get in trouble with this (Obscene) thing. It may fall off.

[REDACTED]

DALITZ: - - - [REDACTED] (Remainder of statement by DALITZ not audible.)

[REDACTED]

LV 92-461

DALITZ: You see the race track (reference probably to Hazel Park race track) has certain rules and if you live up to the rules you get a license. Here if they don't like the way you part your hair, you don't get a license. If we weren't a privileged industry, we could do something about that, but we are you know.

[REDACTED]

DALITZ: Well I'll say this, we have never been stronger in our influence of these people than at the present time. We have got [REDACTED] now (probably a reference to [REDACTED])

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

DALITZ, [REDACTED] and their associates have recently discussed the possibility of constructing a 500 room hotel near Reno, Nevada. It appears the above conversation relates to this matter and [REDACTED] et al are now possibly interested in constructing and/or operating such a hotel. [REDACTED] apparently gave them little encouragement and DALITZ is of the opinion they would never be able to secure a state license. Previous reference has been made to [REDACTED] who has the option on the land near Reno on which the hotel is to be constructed. This individual is possibly [REDACTED]

[REDACTED]

LV 92-461

b7C The reference by DALITZ to the influence he and his associates have over "these people" undoubtedly relates to their influence and control over local and state politicians. It is noted that with a few minor exceptions candidates supported financially by the Desert Inn and the gambling industry were retained or elected to office on November 6, 1962.

Detroit is requested to advise whether [REDACTED] is in the Detroit area since it is possible he is staying at a hotel other than the Desert Inn or he may be in Reno, Nevada, where he is discussing the proposed new hotel.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

11/1/62

in plain text or code)

210

AIRTEL

(Priority or Method of Mailing)

TO : DIRECTOR, FBI (157-8)
FROM : SAC, LAS VEGAS (157-100)
SUBJECT: MORRIS BARNETT, aka
AR
OO: LAS VEGAS

W. J. MARY

██████████ advised on 10/18/62 that on this date SAW
TUCKER, one of the principal owners of the Desert Inn and
Stardust Hotels, Las Vegas, met with subject at the Desert Inn
Hotel. TUCKER and DALITZ were not in the immediate presence
of informant and much of their conversation was inaudible.
Following is the portion of the conversation overheard by
informant:

DALITZ: Did they come off the cat?

TUCKER: No, we got to extend this thing MOE. When you sold the place you reshuffled all the points and made room for him. We still have one more point in the corporation. There's one still laying there.

DALITZ: Oh, there is still?

TUCKER: Yeah.

Information from [REDACTED], if utilized, should be carefully paraphrased in order to further protect the identity of this source. This information is not to be disseminated without Bureau authority.

WICR

S. Bureau (R.M.)

2-Miami (R.M.)

(1 - SAMUEL TUCKER)

(1 - GEORGE GORDON)

4-Las Vegas

(1 - 92-461)

(1 - 92-461 Sub 1)

(1 - 162-10 GEORGE GORDON)

(1) [REDACTED]

1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 2185, 2186, 2187, 2188, 2189, 2190, 2191, 2192, 2193, 2194, 2195, 2196, 2197, 2198, 2199, 2200, 2201, 2202, 2203, 2204, 2205, 2206, 2207, 2208, 2209, 2210, 2211, 2212, 2213, 2214, 2215, 2216, 2217, 2218, 2219, 2220, 2221, 2222, 2223, 2224, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2233, 2234, 2235, 2236, 2237, 2238, 2239, 2240, 2241, 2242, 2243, 2244, 2245, 2246, 2247, 2248, 2249, 2250, 2251, 2252, 2253, 2254, 2255, 2256, 2257, 2258, 2259, 2260, 2261, 2262, 2263, 2264, 2265, 2266, 2267, 2268, 2269, 2270, 2271, 2272, 2273, 2274, 2275, 2276, 2277, 2278, 2279, 2280, 2281, 2282, 2283, 2284, 2285, 2286, 2287, 2288, 2289, 2290, 2291, 2292, 2293, 2294, 2295, 2296, 2297, 2298, 2299, 2300, 2301, 2302, 2303, 2304, 2305, 2306, 2307, 2308, 2309, 2310, 2311, 2312, 2313, 2314, 2315, 2316, 2317, 2318, 2319, 2320, 2321, 2322, 2323, 2324, 2325, 2326, 2327, 2328, 2329, 2330, 2331, 2332, 2333, 2334, 2335, 2336, 2337, 2338, 2339, 2340, 2341, 2342, 2343, 2344, 2345, 2346, 2347, 2348, 2349, 2350, 2351, 2352, 2353, 2354, 2355, 2356, 2357, 2358, 2359, 2360, 2361, 2362, 2363, 2364, 2365, 2366, 2367, 2368, 2369, 2370, 2371, 2372, 2373, 2374, 2375, 2376, 2377, 2378, 2379, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388, 2389, 2390, 2391, 2392, 2393, 2394, 2395, 2396, 2397, 2398, 2399, 2400, 2401, 2402, 2403, 2404, 2405, 2406, 2407, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2417, 2418, 2419, 2420, 2421, 2422, 2423, 2424, 2425, 2426, 2427, 2428, 2429, 2430, 2431, 2432, 2433, 2434, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2445, 2446, 2447, 2448, 2449, 2450, 2451, 2452, 2453, 2454, 2455, 2456, 2457, 2458, 2459, 2460, 2461, 2462, 2463, 2464, 2465, 2466, 2467, 2468, 2469, 2470, 2471, 2472, 2473, 2474, 2475, 2476, 2477, 2478, 2479, 2480, 2481, 2482, 2483, 2484, 2485, 2486, 2487, 2488, 2489, 2490, 2491, 2492, 2493, 2494, 2495, 2496, 2497, 2498, 2499, 2500, 2501, 2502, 2503, 2504, 2505, 2506, 2507, 2508, 2509, 2510, 2511, 2512, 2513, 2514, 2515, 2516, 2517, 2518, 2519, 2520, 2521, 2522, 2523, 2524, 2525, 2526, 2527, 2528, 2529, 2530, 2531, 2532, 2533, 2534, 2535, 2536, 2537, 2538, 2539, 2540, 2541, 2542, 2543, 2544, 2545, 2546, 2547, 2548, 2549, 2550, 2551, 2552, 2553, 2554, 2555, 2556, 2557, 2558, 2559, 2560, 2561, 2562, 2563, 2564, 2565, 2566, 2567, 2568, 2569, 2570, 2571, 2572, 2573, 2574, 2575, 2576, 2577, 2578, 2579, 2580, 2581, 2582, 2583, 2584, 2585, 2586, 2587, 2588, 2589, 2590, 2591, 2592, 2593, 2594, 2595, 2596, 2597, 2598, 2599, 2600, 2601, 2602, 2603, 2604, 2605, 2606, 2607, 2608, 2609, 2610, 2611, 2612, 2613, 2614, 2615, 2616, 2617, 2618, 2619, 2620, 2621, 2622, 2623, 2624, 2625, 2626, 2627, 2628, 2629, 2630, 2631, 2632, 2633, 2634, 2635, 2636, 2637, 2638, 2639, 2640, 2641, 2642, 2643, 2644, 2645, 2646, 2647, 2648, 2649, 2650, 2651, 2652, 2653, 2654, 2655, 2656, 2657, 2658, 2659, 2660, 2661, 2662, 2663, 2664, 2665, 2666, 2667, 2668, 2669, 2670, 2671, 2672, 2673, 2674, 2675, 2676, 2677, 2678, 2679, 26

(1 - 42-040 BARBARA TUCKER)

92-707 Desert Inn Hotel)
92-708 Standard Hotel)

11 - 52-708 Standard Motor

QBT:jmc

(13)

F. W. W.

ATTACHED FORM OR LETTER SENT TO

Special Agent in Charge

Sent _____ M Per _____

6

~~SECRET~~

LV 92-461

DALITZ: We still have one then?

TUCKER: Oh yeah, I believe so.

DALITZ: We'll talk it over with [REDACTED]. What's [REDACTED] got?

67C
TUCKER: [REDACTED] and [REDACTED] have five. The only thing I would say that we do for GEORGE (GEORGE GORDON) - we have got to give him another point. Why don't we take the earnings of one point from [REDACTED] - - - could have five points. [REDACTED] just give him the earnings of one point, and make it available to GEORGE - - - to [REDACTED] (Phone call). (May have reference to [REDACTED], associate of GEORGE GORDON in Miami, Florida.)

DALITZ: Don't you think this would be all right. Nobody could get mad. I don't know what to do about GEORGE. Here is a guy who is broke with a 70 foot yacht.

TUCKER: I think we've given him a certain amount for - - - .

DALITZ: Well what do you think SAM? Do you see it another way - [REDACTED] (JOHN HODG) and GEORGE and [REDACTED] and - -

TUCKER: You're not helping yourself. What will they give in return?

DALITZ: [REDACTED] is building up a little ring within a ring.

TUCKER: As far as [REDACTED] is concerned, he's pretty smart, MOE. When it comes to maneuvering this deal over head with FACTOR - - . [REDACTED] and the other owners of the Desert Inn have been negotiating to purchase the Stardust Hotel property from JOHN "JAKE THE BARBER" FACTOR.)

DALITZ: Oh (Obscene) he out faked them all. [REDACTED] and all of them.

TUCKER: When it comes to negotiating, he's the greatest.

b7c
DALITZ: The purpose of this is not to make ourselves - not to give anybody any raises. The purpose is to distribute the responsibility and bring in additional experiences to strengthen our position, because we can't work hard, that's the purpose of it. All right, now if I take two from TOMMY (T. J. MC GINTY) and three from WILBUR (WILBUR CLARK) and three from our stock and then give three to [REDACTED]. That will leave five. Now I'm going to explain to everybody that GEORGE - - - . Then I'm going to take one point of the five and - - - .

TUCKER: If you leave five points in the treasury, MOE, will the \$5 per cent be figured like a hundred per cent?

DALITZ: I feel at this time, SAM, and I think you're agreeing with me, I don't think we ought to raise anybody.

The remainder of the conversation was outside the presence of informant. The above discussion relates to the reassignment of points in the Desert Inn Hotel. Informant has advised that these discussions have been going on for several weeks with the object of realigning the points so that new partners can be brought into the organization. [REDACTED]

b7c
b2
[REDACTED] advised on 10/19/62 that on this date SAM TUCKER telephonically contacted an individual in Miami, Florida, believed to be GEORGE GORDON. The following is TUCKER's portion of the conversation:

b7c
Hi GEORGIE, how you feeling? - SAM GARFIELD called over here and wanted 171, whatever that means. - [REDACTED] away and will not be back until Monday. He went to Palm Springs. - [REDACTED] is ready to take hold. - What did MORRIS (MORRIS KLEINMAN) say? - No, MOE has a different idea about that. I'm going to try and get out next week and I'll talk to you about them. - Did MORRIS talk to you about [REDACTED] (Phonetic)? - He didn't? - Did he speak to [REDACTED] (Unknown)? - Oh, he's coming in here. I'll have to make a reservation for him. - I'll see you when I get back.

Informant furnished no pertinent information on 10/20, 21, 22, 23, or 24/62.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

- 1 - Mr. Belmont
- 1 - Mr. Evans
- 1 - [REDACTED]
- 1 - [REDACTED]

The Attorney General

November 13, 1962

Director, FBI

MORRIS BARNEY DALITZ

In connection with our continuing inquiry into hoodlum influence in the Las Vegas area, we have learned that a meeting of executives of the Desert Inn Hotel took place on November 7, 1962. There were approximately twelve individuals in attendance, including Dalitz.

[REDACTED] was introduced to [REDACTED] present and his new status explained. Dalitz advised the group that similar meetings would be held the first Wednesday of each month. He went on to say that no publicity would be given to these meetings and that each would be held at a different location for security reasons.

During the meeting, Dalitz discussed recent interviews of owners of record by FBI Agents. He instructed those present that, if contacted, they should respectfully refuse to answer any questions. He added that this should be done, if possible, without antagonizing the Agents. He further stated that, if owners are subpoenaed before a Grand Jury or Congressional Committee, they should merely furnish their names only and no additional information.

You will be kept advised of any additional pertinent developments in this regard.

b7C
b7D

REC'D-10/20M,2 OFFICE

NOV 20 1962

REC- 35

EX 109

92-3068-346

19 NOV 14 1962

RECEIVED

NOV 19 5 03 PM '62

Handwritten notes and stamps at bottom left, including "H. J. P." and "10/21".

Handwritten signature or initials at bottom center.

Handwritten notes and stamps at bottom right, including "NOV 13 5 53 PM '62".

FBI

Date: 11/7/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIR MAIL
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)

FROM : SAC, LAS VEGAS (92-461) (P)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR
OO: LAS VEGAS

WEEKLY SUMMARY

62
b7c

[REDACTED] advised on 10/25/62 that on this date [REDACTED] California, [REDACTED] California, and [REDACTED] Desert Inn Hotel, met at the Desert Inn Hotel. The group continued the discussion of the contemplated purchase of the Stardust Hotel property from JOHN "JAKE THE BARBER" FACTOR. It appears from the conversation that the Desert Inn group intends to purchase the property and that only the details of the transaction are still to be worked out. In addition to taking over the present incumbrances on the hotel property, which will include a loan from the Teamster's Pension Fund in Chicago, the Desert Inn group will pay FACTOR \$4,725,000.00 for his equity. They will pay him \$600,000.00 down payment and amortize the balance over a five year period. The loan from the Teamster's Pension Fund will be used in part to construct an addition to the Stardust Hotel. The original loan as contracted by FACTOR was for \$6,000,000.00. However, if the Desert Inn group purchases the Stardust Hotel, they will attempt to borrow an additional \$1,000,000.00 from the Fund.

L

Information from [REDACTED] if utilized, should be carefully paraphrased in order to further protect the identity of this source. This information is not to be disseminated without [REDACTED] authority.

62
b7c

1-Bureau (R.M.)
62-Miami (R.M.)
(1 - SAMUEL TUCKER)
(1 - MORRIS KLEINMAN)
1-Los Angeles (Info) (R.M.)
1-San Diego (Info) (R.M.)
RBT:jmc
(13)

6-Las Vegas

(1 - [REDACTED] 9 1962)
(1 - 92-640 SAMUEL TUCKER)
(1 - 92-363 WILBUR CLARK)
(1 - 92-707 Desert Inn Hotel)
(1 - 92-706 Stardust Hotel)
(1 - [REDACTED])

Approved: _____

Sent _____ M Per _____

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United Resort Hotels will continue to be the leasing corporation but a new corporation will be established as the landlord corporation. They contemplate increasing the rental paid by the United Resort Hotels to the new corporation in order to build up a larger equity in the property and consequently place them in a better position tax wise.

b2
b7c [redacted] advised on 10/26/62 that on this date [redacted] and [redacted] again met at the Desert Inn Hotel. It was pointed out to informant that URS had served a summons on the Desert Inn Hotel to produce certain tax records and reports for examination. They agreed they would have to make these papers available. However, it would be better if they could have them examined in Los Angeles rather than Las Vegas. [redacted] has possession of these papers and [redacted] suggested that rather than make the originals available, that he have photo copies made and furnish [redacted] with the photo copies.

b7c The group then discussed further the \$6,000,000.00 loan they will probably secure from the Teamster's Pension Fund in Chicago when they purchase the Stardust Hotel from JOHN FACTOR. There are still several small details to be worked out in connection with this loan. The Teamster's Union originally demanded 7 per cent interest; however, the hotel is attempting to secure the money for 6 1/2 per cent interest. The Desert Inn group is also attempting to secure an extra million dollars and [redacted] stated he had talked to [redacted] (probably [redacted]) and [redacted] assured him they would probably be able to secure the extra million. [redacted] was concerned over the fact that several of the same stockholders in United Resort Hotels, which is the leasing corporation, are the same individuals who will comprise the new Desert Corporation, which will be the landlord corporation. He reasoned that possibly this could be worked out satisfactorily since the various stockholders would have different interests in each of the two corporations. [redacted] mentioned that another item which should be considered and which may cause some trouble from a tax standpoint is the fact that [redacted] and other hotel executives are permitted to live at the hotel for a very nominal charge of about \$3.00 per day. This entitles them to free telephone service and other services which they secure at the hotel.

[redacted] Desert Inn and Stardust Hotels. He stated that he did not consider it advisable

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to make a public announcement of this fact [REDACTED]

WILBUR CLARK subsequently entered, at which time individuals present engaged in the following conversation:

CLARK: Like I told [REDACTED] last night, I got a call from Chicago and I'm on the number one list and I'm also on the number two list of 250. I don't know who else is on it, I don't know if MOE and [REDACTED] are on it or not.

b7c CLARK: List of hoodlums. I knew I was on the list about a week ago. [REDACTED] was on it, MOE was on it, and MORRIS [REDACTED] was on it. They were the only names I saw. They had my address in Las Vegas and the name WILBUR IVERS CLARK. I don't know where they got the middle name. I haven't used it for thirty years.

CLARK: Now this fellow called the night before last and got me in San Diego and told me did I hear the bad news. He said he was checking for me and was going to try and find out as soon as possible why they got me on the list. So I'm not only on the first list, there's forty on the first list, all top hoodlums, and (Obscene) I'm on that. So I can see now why I never heard from KENNEDY (probably Attorney General ROBERT KENNEDY who was recently in Las Vegas). That must be the reason.

CLARK: I'm positive of the information. It's the brother. It's the [REDACTED] (Phonetic and name not clear). I am on the first list of forty and then there's the second list of 250.

DONNELLEY: What's the second list?

CLARK: They are kind of second grade. They are not quite so bad. I didn't see SAM TUCKER and I didn't see TOMMY on the list (T. J. MC GINTY).

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[REDACTED]

CLARK then received a telephone call from [REDACTED] (not known if local or long distance call). They discussed the BROWN - NIXON gubernatorial race in California. CLARK indicated he wanted to bet \$5,000.00 on either BROWN or NIXON, but as yet he is not certain on which candidate he desires to bet. He instructed [REDACTED] to contact him a day or two before the election and he would make up his mind at that time whether he wanted to bet on NIXON or BROWN. He indicated he is a close friend of both BROWN and NIXON, however, that [REDACTED] influence the way he bets. CLARK was warned following the telephone conversation that he should be careful the way he uses the telephone.

CLARK subsequently left the room and the others present were in agreement that someone had given CLARK some erroneous information regarding his being on a list of top hoodlums. It is noted that [REDACTED]

b7c [REDACTED] The Bureau has advised that they have no information indicating CLARK is on any current list of Criminal Intelligence subjects.

Informant advised on 12/27/62 that on this date SAM [REDACTED] one of the [REDACTED] of the Desert Inn Hotel, [REDACTED] and [REDACTED] again met at the hotel. They discussed certain allegations which have been made against the hotel by IRS. These charges relate primarily to skimming operations. In many cases the individuals present spoke simultaneously and outside the immediate presence of the informant and the full context of their conversation could not be heard. If additional details can subsequently be secured from the information furnished by informant on this date, this will be furnished to the Bureau in a subsequent detailed communication. Following are portions of the conversation:

[REDACTED]

b7c

[REDACTED]

[REDACTED]

From the above statement by [REDACTED] it appears likely that money is not taken off the top in connection with the hotel's IOU's or markers and no customers outside the hotel are involved. [REDACTED] did not say that money was taken off the top during the first count in the counting room, but he did indicate that this could not be done once the money had entered the cashier's cage and had been made a matter of record.

[REDACTED]

Informant furnished no pertinent information on 10/28, 29, 30/62.

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Informant advised on 10/31/62 that on this date JOE BOCK met with subject and SAM TUCKER, at which time they engaged in the following conversation. BOCK until recently was Purchasing Agent of the Desert Inn and Stardust Hotels, however, he was retired due to advanced age. He is approximately 82 years of age and has been associated with the principal owners of the Desert Inn Hotel for many years. Informant has previously advised that BOCK has at least one undisclosed point in the Desert Inn Hotel, which is represented by [REDACTED]

b7C
BOCK: I want to talk to you about [REDACTED] and the first thing I want to know is who's going to be his boss.

DALITZ: I'll tell you. We don't intend for [REDACTED] or [REDACTED] or anybody to make decisions of major policy.

BOCK: That's wonderful. That's just what I think. Okay that's number one. Now take two. For 14 years - - - boss was [REDACTED].

DALITZ: I've had that out with [REDACTED]. I told him we are not bringing in [REDACTED] as an assistant for him.

BOCK: How do we establish that, how do we tell him?

DALITZ: As soon as [REDACTED] comes back we will sit down and tell him. Right after the first of the month.

BOCK: We have got to get [REDACTED] off on the right foot because he will have access to all our bookkeeping.

DALITZ: Maybe you, JOE, could give him guidance in some departments.

BOCK: This is the best news I have had.

DALITZ: We ought to get WILBUR (CLARK) in here. Is he here?

(DALITZ made a call to the outside office and determined CLARK was not present.)

BOCK: Let's have a preliminary meeting and then call a meeting and tell everyone else.

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DALITZ:

I'll tell you, we are going to bring him in so if something happens to [REDACTED] we are not going to be stuck. [REDACTED] can do [REDACTED] work. Not only that, but [REDACTED] has got to take some of [REDACTED] show work - so if his case doesn't come out in New York we won't be left with no one to take over. I want [REDACTED] to also be a member of the United Fund and take part in all civic activities locally and build himself up into a prominent local figure. I want him to be able to go back to Washington, D. C., to City Hall, or to Carson City and to be heard and respected.

BOCK:

b7c I have a proposition. I would like [REDACTED] (Desert Inn Hotel) to be a crutch to [REDACTED] bookkeeping is getting to be the heart of this business. Last year we did \$40,000,000.00 worth of business. We pushed this amount through the register and it actually showed. We paid taxes on it. Now this needs a lot of attention. I'm here for one purpose. I want to protect this \$50,000,000.00 worth of business; it took us so long to build.

DALITZ:

You are belaboring a subject that will come with time. While we are talking about it, SAM, it is up to you and KLEINMAN to take care of MC GINTY. You're down there - and you can tell him like I did WILBUR. (Probably explain to MC GINTY that they are taking away some of his points to redistribute to new people they are bringing into the organization.)

In our business, SAMBO, it has always been that no one man takes off boxes by himself. Now I don't want [REDACTED] to take off boxes by himself, I don't want [REDACTED] to take off boxes by himself. It so happens that JOE BOCK doesn't want [REDACTED] or [REDACTED] to take off boxes at all. Therefore what JOE is saying is that when boxes are taken off, [REDACTED] and [REDACTED] should be taking off boxes too.

BOCK:

Very well.

DALITZ:

Is that right JOE?

TUCKER:

Now [REDACTED] will be a number one man. He will be working with [REDACTED]. He's going to get a salary and a fee out of this. So along comes - let's talk about

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pay right here - he's entitled to look it over, right?
He asks for it, he looks it over and analyzes it.

BOCK: We have 42 boxes. Now these 42 boxes are all funneled into one bank upstairs - - as far as bank accounts are concerned - - when he knows what receipts are he can see it the next day (?).

b7C
The conversation continued and various employees were discussed. BOCK was critical of the activities of [REDACTED] and it was also evident [REDACTED] did not care for [REDACTED]. DALITZ pointed out to BOCK that [REDACTED] was to be given respect by the heads of all departments and he wanted all department heads to take orders from [REDACTED]. He is to have access to everything and DALITZ pointed out, "We have no secrets from this gentleman". BOCK also inquired of DALITZ as to whether [REDACTED] would be permitted to act for DALITZ in his absence. DALITZ stated that he would not be permitted to act for him in his absence nor would he be permitted to act for TUCKER, KLEINMAN, or WILBUR CLARK. He stated, "We are going to be here. I got no place to go". DALITZ suggested to BOCK that possibly he could assist him with several of the hotel departments with which BOCK is familiar. The conversation then continued as follows:

DALITZ: Now [REDACTED] at the Desert Inn Hotel. Come up to me and says, don't jump on me, but he says, I'm sure entitled to a piece here. I told him if we give anybody a piece, it's to strengthen our organization because we are all getting old. We are taking this from ourselves. We have got to be able to compete with our competition. Let MORRIS (KLEINMAN) give him something. If I had a brother working here I would give it to him myself.

BOCK: MORRIS gave it to him.

DALITZ: When?

BOCK: About two years ago. I was there and I know the case. He gave him a point. He's got a point going.

DALITZ: I didn't know that.

BOCK: Yeah, he's got a point going - he probably expects something from you.

LV 92-461

DALITZ: What's his salary? Maybe he is entitled to a raise.

BOCK: I would like to bring up one more thing about [REDACTED].
Do you think he will be interviewed and harassed by
the FBI about what he is doing and everything?

DALITZ: I don't think so. I already told the "G" (the FBI).

b7C They then discussed a title for [REDACTED] and tentatively
agreed that he shall have the title of Executive Vice President.

It appears that BOCK is somewhat reluctant to furnish
certain information to [REDACTED] who BOCK undoubtedly considers
to be an outsider. The exact nature of this confidential information
was not set forth, however, it possibly relates to skimming
operations since there was considerable conversation regarding
the removal of drop boxes from the various gambling tables.

[REDACTED] also
has one point in the Desert Inn Hotel which has not been previously
known to this office and was also apparently unknown to DALITZ.
This gives further credence to the fact that points in the Desert
Inn and Stardust Hotels are apparently distributed indiscriminately
by the owners of record to various individuals both within and
without the organization. This is done without the licensing
of the various owners as required by Nevada state law.

Informant furnished no pertinent information on 11/1/62.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

FBI

Date: 11/13/62

Transmit the following in PLAIN TEXT

(Type in plain text or code)

Via AIRTELAIR MAIL

(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)
 FROM : SAC, LAS VEGAS (92-461) (P)
 SUBJECT: MORRIS BARNEY DALITZ, aka
 AR
 OO: LAS VEGAS

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 9/18/91 BY 1565 SDP/ao
 285605

WEEKLY SUMMARY

The following is a summary of information furnished
 by [REDACTED]

Informant advised on 11/3/62 that on this date subject was at the Desert Inn Hotel, Las Vegas, Nevada. He indicated that he and his wife expected to be in Acapulco, Mexico on November 12, 1962, and that he intended to be there for several days. DALITZ also stated that his yacht which is presently being constructed in Norway would be completed the latter part of November. He is going to Norway at that time and accompany the crew when they bring the boat down into the Mediterranean. He intends to dock it there for some time. DALITZ advised he is flying to London early in December and would probably go from there to Norway.

Information from [REDACTED], if utilized, should be carefully paraphrased in order to further protect the identity of this source. This information is not to be disseminated without Bureau authority.

4-Bureau (R.M.)
 (1 - Legal Attache,
 Mexico City)

5-Las Vegas
 (1 - 92-461)
 (1 - 92-461 Sub 1)
 (1 - [REDACTED])
 (1 - 92-363 WILBUR CLARK)
 (1 - 92-707 Desert Inn Hotel)

RBT:jmc

(9)

C C Wick

C C to Mexico City

R/S 11/14/62

53 NOV 20 1962
 Approved: [Signature]
 Special Agent in Charge

Sent _____ M Per _____

80

LV 92-461

DALITZ also advised the informant that at some unspecified time in the future he is going to New Orleans, Louisiana, and from there to Jamaica. This is apparently a social trip and while in New Orleans he will stay at the Roosevelt Hotel. He indicated that several individuals would be making a trip to Topica Bay and that among others he intended to invite SEYMOUR WEISS. (WEISS is believed to be the owner of the Roosevelt Hotel in New Orleans.)

Informant furnished no pertinent information on 11/4, 11/5, or 11/6/62.

Information furnished by informant on 11/7/62 was furnished to the Bureau by airtel dated 11/9/62.

Informant advised on 11/8/62 that [REDACTED], has moved into the office with DALITZ at the Desert Inn Hotel and will occupy this space jointly with DALITZ for the time being until other arrangements can be made.

Informant advised on 11/9/62 that WILBUR CLARK, President of the Desert Inn Hotel, owns large tracts of real estate in Beverly Hills, California and Reno, Nevada in addition to property he owns in the Las Vegas area and other parts of the country. CLARK indicated to informant that his brother wanted him to buy into some oil wells in Oklahoma for \$250,000.00. CLARK reportedly advised his brother that he would be interested in making such an investment if he could buy in for about \$150,000.00.

Informant advised that all of the stockholders and department heads of the Desert Inn and Stardust Hotels, Las Vegas, were invited to a meeting held at the Desert Inn for the purpose of introducing these people to [REDACTED]. Approximately 55 executives and owners from the two establishments attended this meeting.

Informant furnished no pertinent information on 11/10 or 11/11/62.

Informant advised on 11/12/62 that on this date DALITZ was in contact with a person believed to be identical with [REDACTED], Michigan, who is an old time associate of DALITZ. [REDACTED] indicated to DALITZ that DALITZ would probably be subpoenaed in a civil action and he would be required to appear in court in Detroit on the 19th of November.

LV 92-461

b7C
DALITZ advised [REDACTED] that he certainly did not want to be subpoenaed since he was going to be out of the country. He stated he would be gone for three or four weeks. DALITZ had originally planned on leaving on 11/15/62, however, after receiving the telephone call from [REDACTED] he stated he was going to leave right away before the subpoena arrived. He stated he could be reached at the Las Brees (Phonetic) Hotel, Acapulco, Mexico. The court action in Detroit is in reference to a former partner of the subject's in a supermarket business in Detroit. This former partner has since died and his estate is presently being probated.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

DECODED COPY

Tolson _____
 Belmont _____
 Mohr _____
 Casper _____
 Callahan _____
 Conrad _____
 Evans _____
 Gale _____
 Rosen _____
 Sullivan _____
 Tavel _____
 Trotter _____
 Tele. Room _____
 Holmes _____
 Gandy _____

☐ Radio☒ Teletype

URGENT 11-9-62 3:40 PM JIS

TO DIRECTOR

FROM SAC LAS VEGAS 092145
Anti-racketeering

MORRIS BARNEY DALITZ, OO LAS VEGAS.

RE: MEETING OF EXECUTIVES OF DESERT INN HOTEL, LAS VEGAS,
 NEVADA, HELD 7 INSTANT. APPROXIMATELY 12 INDIVIDUALS
 PRESENT, INCLUDING SUBJECT [REDACTED]

[REDACTED] INTRODUCED
 AND HIS NEW STATUS EXPLAINED. DALITZ STATED SIMILAR
 MEETINGS TO BE HELD FIRST WEDNESDAY OF EACH MONTH. NO
 PUBLICITY TO BE GIVEN TO SUBSEQUENT MEETINGS, AND MEETINGS
 WILL BE HELD AT DIFFERENT LOCATION EACH TIME FOR SECURITY
 REASONS.

DALITZ DISCUSSED RECENT INTERVIEWS OF OWNERS OF
 RECORD BY FBI. HE INSTRUCTED THAT ALL PERSONS CONTACTED
 WOULD RESPECTFULLY REFUSE TO ANSWER ANY QUESTIONS. THIS
 SHOULD BE DONE IF POSSIBLE WITHOUT ANTAGONIZING AGENTS. IF
 OWNERS ARE SUBPOENAED BEFORE A GRAND JURY OR CONGRESSIONAL
 COMMITTEE DALITZ INSTRUCTED THEM TO FURNISH THEIR NAMES
 ONLY AND NO OTHER INFORMATION.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

RECEIVED: 6:57 PM JS

ATTY GENERAL BEING ADVISED BY MEMO.

53 NOV 20 1962

CC MR. TOLSON

If the intelligence contained in the above message is to be disseminated outside the Bureau, it is suggested that it be suitably
 paraphrased in order to protect the Bureau's cryptographic systems.

F B I

Date: 11/9/62

Transmit the following in PLAIN TEXT
(Type in plain text or code)Via AIRTEL AIRMAIL
(Priority or Method of Mailing)

TO : DIRECTOR, FBI (92-3068)

FROM : SAC, LAS VEGAS (92-461)

SUBJECT: MORRIS BARNEY DALITZ, aka
AR
OO: LAS VEGAS

[redacted] advised on 11/7/62, that on this date [redacted] was at the Desert Inn Hotel. [redacted] advised the informant that he had officially taken over as an official of the Desert Inn Hotel, and for the time being would spend approximately four days each week in Las Vegas and the remaining three days in San Diego. [redacted] at which time he will move to Las Vegas on a permanent basis. He advised the informant that he was being permitted to purchase three shares of the stock of the Desert Inn Hotel for \$350 per share. He also advised he intended to file an application with the Nevada Gaming Control Board, which will permit him to be placed on the license for these shares. In connection with this, he furnished the informant a detailed summary of his personal background. [redacted] was subsequently joined by JOSEPH BOCH and subject. BOCH is known to be the owner of one undisclosed point in the Desert Inn Hotel, which is represented by [redacted]. Until recently BOCH was Purchasing Agent for the hotel. Following are pertinent portions of their conversation.

Information from [redacted] if utilized, should be carefully paraphrased in order to protect the identity of the source. No dissemination should be made outside the Bureau without prior Bureau authority.

③ - Bureau (R.M.) (1 REC-192-3068-350)

1 - Miami (GEORGE GORDON) (R.M.) (1 - [redacted])

1 - New York [redacted] (Bribery) (1 - 92-493) (RUBY KOLOD)

1 - San Diego (Info) (R.M.) (1 - [redacted])

8 - Las Vegas (1 - 92-461 Sub 1) (1 - 92-362) (WILBUR CLARK)

(1 - 162-10) (GEORGE GORDON) (1 - 92-707) (Desert Inn Hotel)

Approved: [redacted]

Sent _____ M Per _____

NOV 27 1962

LV 92-461

b7c

DALITZ: [REDACTED] is being brought in as a partner and not as a rubber stamp for any partner. We felt we needed his services to strengthen our organization since many of us have various problems. [REDACTED] some of the others have health problems, and so on. I can tell you now, [REDACTED] that you will find many of us have our faults which you will just have to get used to. [REDACTED] for instance is a very cold guy in some respects. The nearest perfect guy in our organization is SAM TUCKER. From the standpoint of honesty, integrity, and so on, he can't be beat. JOE, I want you to enlighten [REDACTED] on little matters around the hotel with which you are familiar. One rule, [REDACTED] you never take off a box by yourself. Don't put yourself in that spot. This goes all the way down the line. I never butt into the counting. I am very happy to be able to get on the stand and say I never counted money from the drop and I don't know anything about it. I could take a lie detector test on that. JOE, I want [REDACTED] to know these things. [REDACTED] will be spending most of his time here with [REDACTED] during the next six months, so if anything goes wrong with [REDACTED] [REDACTED] can take over. We are planning a big introduction party for [REDACTED] on December 22 in the country club.

BOCH: We grossed 40 million last year. This year we will go over 40 million. Today we are very healthy and wealthy.

DALITZ: I think you should know, [REDACTED] that we have one guy in our organization, and I hope he won't be any trouble. He is a rebel. He is rebellious but he's a good man. (Probably reference to RUBY KOLOD)

[REDACTED]

The three above individuals were subsequently joined by various other owners and department heads, including the following who were identified as being present by informant: WILBUR CLARK [REDACTED] RUBY KOLOD. [REDACTED]

A general meeting

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of the above group was called to order by DALITZ, at which time the following transpired:

DALITZ: We want these meetings to be real informal. We should have had them more often but didn't carry through. From now on we should have these meetings once a month, even if there is nothing real important to talk about. It's good for everybody's morale to get together and shoot the breeze if nothing else.

After some discussion it was decided a meeting of the above group would be held once a month on the first Wednesday of every month at 5:00 PM. //

DALITZ: What we'll do fellows so we won't have to talk about it too much, we'll all meet here at 5 PM and then all go somewhere else and have our meeting. This will be the only one we'll have here. We'll meet here and then we tell you where to go. Each time will be a different place. The reason is very obvious. We want the meetings to be very private. There will be no calling but it will be understood it should not be talked about because we may have some things to bring up that are very private and we don't want everyone around the place to know we are holding a regular meeting every month. If you have something that can't wait for a meeting, you fellows know we are always on call.

This particular meeting we want to make you all officially acquainted with [REDACTED] We have asked him to [REDACTED] and move to Las Vegas and become our partner. [REDACTED]

b7c [REDACTED] He has been one of us so this has not been going to the outside for an unknown. This has been going to our own ranks. We are tightening up our organization.

Times are changing rapidly. We are getting headaches from every direction. When I say we, it isn't only we but as a matter of fact it's industry all over the country. There is a wave of general harassment by IRS and the FBI. We have a HANK GREENSPUN //

(managing editor of the Las Vegas Sun) firing at us from every direction. We have suffered a barrage of attacks, but since we have done nothing wrong, we have nothing to fear. I think we have survived the toughest of the ordeal and come out okay. While I'm on the subject, I want to let you fellows know that in this election just past we had very little to decide on. Mr. SAWYER (GRANT SAWYER, Governor of Nevada, and Mr. GRAGSON (ORAN GRAGSON, unsuccessful Republican candidate for Governor) are both real good men. From our standpoint one would have been as good as another. We now have public officials who understand the industry's problems.

We have got to protect ourselves from being attacked. Not that we want to attack anyone, we just felt that the Sahara Hotel and the Sun were ganging up on us and we had to defend ourselves. We would like to get out of politics. We would just like to make a sizeable donation to each party and tell everybody we have no opinions but we had to defend ourselves against GREENSPUN. (GREENSPUN has repeatedly attacked DALITZ and his associates, and he was the unsuccessful Republican candidate for Governor in the primary elections.) We don't advertise with the Sun now, but even when we did they still abused us.

The main thing of this meeting is [REDACTED]. The way the officers are now, WILBUR CLARK is President. I am Vice President. [REDACTED] He is familiar with all of our problems. [REDACTED]

His only financial interest, however, will be in the Desert Inn.

While I'm talking about status I want to bring you up to date on GEORGE GORDON. He has been a close pal our ours for 25 or 30 years. GEORGE is on the

payroll at the Desert Inn. He is not a stockholder. Informant has previously advised that GORDON has two points at the Stardust Hotel represented by RUBY KOLOD, but no definite information has been received indicating he actually has points at the Desert Inn.) His capacity is customer relations. There is a law about collecting money one state to another and on that where gambling is involved but from our standpoint it is legal, but even though it is legal, I would rather not designate GEORGE as a collector only because you are going to be asked questions, fellows. GEORGE is at our beck and call to contact any customer from out of town or any services that he can perform for us that require traveling. GEORGE GORDON is the man that does it. He is definitely customer relations, not public relations. That is what he takes care of and it's a big job and he does a hell of a job as you all know. He earns every nickel he gets.

b7C

[REDACTED] will be working with [REDACTED]. It will be a few months before he can clean everything up [REDACTED] but he will be here about four days a week to start. I want everyone to give him complete confidence and respect.

[REDACTED] then responded and expressed his appreciation for the confidence shown him by the owners of the Desert Inn Hotel and he stated he hoped he would be able to work harmoniously with all of those present. DALITZ then continued:

DALITZ: I told you about GEORGE GORDON. Now one more thing. There's been an order issued by the Department of Justice to interview every man who is on a license in Las Vegas. I don't think they are aiming only at the Desert Inn. They seem to be primarily interested in undisclosed interests. They have listened to all this mishmash from REID (ED REID, columnist for the Las Vegas Sun) and GREENSPUN, also of these national columnists that have been planted by these people here and they believe what they read. They are going to continue to harass us. I think the FBI

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called on everybody here but if they haven't, they probably will. There will be threats of grand juries and of subpoenas and you'll be this and you won't be that. Always remember there is nothing we can do to stop a grand jury. There is nothing we can do to stop a subpoena. Since there is nothing we can do about it, there is one thing we can legally do. We can all respectfully refuse to answer any questions.

It is very difficult not to antagonize the government when you don't comply with requests, but as difficult as it is, you must try to not answer these questions and at the same time not get them mad at you. If you have to get them mad, then (obscene) you have no choice, you can't help it and (obscene) you just tell them your lawyer has instructed you that he does not wish you to answer any questions. Have they contacted everybody here?

There was response from at least two individuals who indicated they had not been interviewed.

[REDACTED]

DALITZ: Let's put it this way. Suppose an Agent comes to you and tries to ask you questions. What would you say?

[REDACTED]

DALITZ: But under your way [REDACTED] he is a member of this firm. I advise you to go see him.

[REDACTED]

DALITZ: Yeah. If they ask you who your attorney is, it's just like I told MILTON JAFFE (Executive, Stardust Hotel, who was recently interviewed by the FBI). I told JAFFE

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to tell them that he would contact his attorney and then let them know.

[REDACTED]

67C

DALITZ: The main thing is don't get frightened or upset about this thing. Remember when they come to talk to you they have got to inform you of your rights and I think they did. They will inform you of your rights and they will say you don't need to answer this if you don't want to. You have a right to refuse to answer so immediately you say well, that's awfully nice of you. I didn't know that but I naturally would want to talk to my lawyer first. If you fellows would like to give me the written questions, I will take them to my lawyer. Otherwise I couldn't answer anything off the cuff at all.

[REDACTED]

[REDACTED]

DALITZ: In other words they go to [REDACTED] and say [REDACTED] we don't want to talk to you about yourself but [REDACTED] I am going to talk to you about JOE BOCH and you got to answer about JOE BOCH. You say I will see my attorney. I don't know nothing about JOE BOCH. If they ask about a customer you say I know nothing about him other than he is a customer. If you want to find out anything else go to the Executive Office. You fellows have that in your mind now. Be diplomatic about it when you talk to these guys. Don't get cocky with them but don't let them (obscene) you.

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If it's alright for some of our United States Senators to take the fifth amendment, it's alright for you. Always remember if you feel your rights are being violated, you take the fifth.

It's wrong, fellows, to say in advance you are going to take the fifth but any time you feel your rights are being violated, here's the way you take the fifth amendment. They sit you down in a grand jury and say what's your name. You say [REDACTED] What's your address. Refuse to answer. Who's your neighbor. Refuse to answer. What's your wife's name. Refuse to answer. What's your great uncle's name. I respectfully refuse to answer and then give them the whole bit, you know. Here's the danger of answering one question, one innocent sounding question. When you answer one you have got to answer them all so don't even answer the first one even if it's what's your grandmother's name. Give your name only. Don't even give your address. Isn't that right, [REDACTED]

b7c

[REDACTED]

DALITZ: Take this from me. You are not going to be admired anyway. They still think what they want to think. They are not in your corner. You are alone. They mean you no good and will (obacene) you if they can. So if they have you before a grand jury, you might as well right there say I'll take my licking. Give your name and stand on your constitutional rights. Do you understand that? But don't let it bother you. None of us are going to be governors

LV 92-462

or senators. We are going to be just what we are. So let's just live our lives and do it peacefully and don't let these (obscene) upset you.

[REDACTED]

DALITZ: Go ahead.

b7c

At this point he discusses in detail the general expansion program which is presently being undertaken by the Desert Inn Hotel. He advised they are building a ten story addition on the front of the hotel, and in addition to deluxe rooms, it will also include two floors of space for stores. They are hoping to get Saks Fifth Avenue to open a store in the space. Representatives from Saks are coming out this month to look it over. They also anticipate remodeling the lobby and enlarging the casino and bar. The showroom is to be enlarged and when remodeled will seat 600 people for dinner. A modern stage will be one of the best in the country. This will be adaptable both to production type floor shows and also to single acts. Some of the features will be a 22 foot chandelier which will hang from the center of the dining room and there will be openings in the walls where showgirls can make their entrance. They are also putting in a new dining room which will be known as the Jockey Club. They will serve deluxe meals in this room and it will be competitive with the best places in town. The project will cost approximately \$5,000,000. [REDACTED] indicated that they had a loan of \$3,000,000 and that arrangements had been made to raise the other \$2,000,000. They hope to have the additional hotel rooms completed by April and the dining room and showroom a few weeks later.

DALITZ SHOULD BE CONSIDERED ARMED AND DANGEROUS.

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It is noted that during the past few days at the request of the Department, Agents have interviewed all owners of record of the Desert Inn and Stardust Hotels who reside in the Las Vegas area. With the exception of RUBY KOLOD, they were all friendly, however declined to furnish any pertinent information.

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI (92-3068)

DATE: 11-27-62

FROM : Legat, Mexico (92-26) (P)

SUBJECT: MORRIS BARNEY DALITZ, aka.
AR

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 9/18/90 BY SP6S [signature]
235605

Remylet 9-27-62 and Las Vegas airtel to Bureau
11-13-62 received 11-26-62.

[REDACTED]

Re Las Vegas airtel received 11-26-62, efforts are
being made to determine [REDACTED]

LEADS

MEXICO CITY OFFICE

AT ACAPULCO, GUERRERO, MEXICO

[REDACTED]

Will determine if subject [REDACTED]

- 5 - Bureau
 - (1 - Liaison Section)
 - (2 - Las Vegas, 92-461)
- 1 - Mexico City

JEG:kg
(6)


100-1531
200-
0-7 12/3/62

58 DEC 4 1962

92-3068-351
NOV 28 1962

[signature]

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE LAS VEGAS	OFFICE OF ORIGIN LAS VEGAS	DATE 11/26/62	INVESTIGATIVE PERIOD 10/17 - 11/19/62
TITLE OF CASE MORRIS BARNEY DALITZ, aka		REPORT MADE BY 	TYPED BY jmc
		CHARACTER OF CASE AR	67C

REFERENCES:

Las Vegas report of SA  dated 10/19/62.

- P -

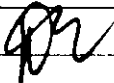
ADMINISTRATIVE:



INFORMANTS:



LEADS:

APPROVED 	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN SPACES BELOW	
COPIES MADE: 4 - Bureau (92-3068) (R.M.) 2 - Las Vegas (92-461)		92-3068-352	REC-41
		EX 109	
DISSEMINATION RECORD OF ATTACHED REPORT		NOTATIONS	
AGENCY	DATE	STAT. SECT.	
ST RECD.			
DATE FWD.			
HOW FWD.			
BY			

60 DEC 10 1962

295

LV 92-461

LAS VEGAS DIVISION

AT LAS VEGAS, NEVADA

Will follow and report activities of subject.

Additional leads have previously been set out to individual offices by separate communications.

- B* -
COVER PAGE

275

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to:

Report of:

Office: Las Vegas

Date:

11/26/62

Field Office File No.: 92-461

Bureau File No.: 92-3068

Title:

MORRIS BARNEY DALITZ

Character:

ANTI-RACKETEERING

Synopsis:

DALITZ and associates claim they have accounted properly for IOU's and markers collected by the Desert Inn Hotel. They are interested in constructing new hotel in Reno, Nevada. Subject instructed all officials of the Desert Inn and Stardust Hotels to answer no questions if interviewed or called before a Federal Grand Jury. Owners of the Desert Inn are bringing [REDACTED] he is to be given three points of the Desert Inn. This necessitated reshuffling present hotel points. GEORGE GORDON identified as collector for the Desert Inn. This hotel presently has large expansion program underway. [REDACTED] reported to be undisclosed owner of two points of Stardust Hotel. DALITZ and his associates considering purchasing Stardust from JOHN "JAKE THE BARBER" FACTOR. DALITZ interviewed on 10/30/62, at which time he refused to furnish any information of a pertinent nature. SUBJECT SHOULD BE CONSIDERED ARMED AND DANGEROUS.

- P -

DETAILS:TRAVEL

[REDACTED] advised that DALITZ left Las Vegas on November 13, 1962, for Acapulco, Mexico, where he expects to remain for two or three weeks. In early December he anticipates traveling to London, England, and later to Norway where he will pick up his yacht, which is presently being constructed in that country. He is going to bring the boat to the Mediterranean where it will remain for one and one half to two years.

BUSINESS ACTIVITIES

Desert Inn Hotel

[redacted] advised DALITZ and the other principal owners of the Desert Inn Hotel, Las Vegas, Nevada, are reshuffling the points owned by the various owners to make room for [redacted]

[redacted] he will be given three points of the hotel, which corresponds to percentage points, and in addition he will be paid a salary.

b2
b7c

To secure the points the owners anticipate taking three points from WILBUR CLARK, President of the Desert Inn Hotel, two points from T. J. MC GINTY of Miami, Florida, one of the principal owners, and three points from the stock held by DALITZ, SAMUEL TUCKER, and possibly MORRIS KLEINMAN. TUCKER and KLEINMAN also reside in Miami and are principal stockholders of the Desert Inn. The five points which will remain after giving [redacted] three points will be held as treasury stock to be distributed later to additional personnel they may subsequently bring into the organization. The owners also tentatively agreed to take the earnings of one point from [redacted] and give the proceeds of this point to GEORGE GORDON. [redacted] at the hotel and is not an owner of record. GORDON is also not an owner of record of the Desert Inn Hotel.

[redacted] advised in November, 1962, that [redacted]

[redacted] As part of the agreed arrangement he was permitted to purchase three points of Desert Inn stock for \$350.00 per point. [redacted] anticipates making formal application to the Nevada Gaming Control Board and being officially placed on the hotel license. His duties for the time being will be to work closely with [redacted] Executive Secretary of the Desert Inn. [redacted]

[redacted] will be in a position to take over his responsibilities.

[redacted] advised in November, 1962, that GEORGE GORDON has been a close associate of DALITZ and the other owners of the Desert Inn Hotel for 25 or 30 years. He is on the payroll of the Desert Inn Hotel as a collector. His official title is "Customer Relations" and he has the responsibility to contact

any customer residing outside the State of Nevada for the purpose of collecting IOU's, markers, or for other purposes.

[REDACTED] advised in November, 1962, that the Desert Inn Hotel currently has an extensive expansion program underway. One hundred additional deluxe rooms are to be constructed, the show room is to be enlarged and remodeled, the casino is to be expanded, and two new dining rooms are to be constructed. The cost of this program will be approximately \$5,000,000.00. \$3,000,000.00 has been borrowed by the hotel officials from an insurance company in Texas and arrangements have also been made to borrow the additional \$2,000,000.00 from a source unknown to informant.

Stardust Hotel

b2
b7c [REDACTED] advised in October, 1962, that a [REDACTED] GEORGE GORDON and is the undisclosed owner of two points in the Stardust Hotel. The points owned by [REDACTED] are represented on the record by RUBY KOLOD, Casino Manager at the Desert Inn Hotel, who is the owner of record of points in both the Desert Inn and the Stardust Hotels.

The Cleveland Office advised that [REDACTED] GEORGE GORDON and was a joint owner with him of gambling clubs which operated in Newport, Kentucky. [REDACTED] was interviewed by Bureau Agents in Cleveland on June 25, 1962, at which time he advised he has no gambling interests in Las Vegas, Nevada or elsewhere.

[REDACTED] advised that DALITZ and his associates are still considering purchasing the Stardust Hotel from JOHN "JAKE THE BARBER" FACTOR. Most of the negotiations for the Desert Inn have been handled by [REDACTED] [REDACTED] has represented FACTOR in some of the discussions. It appears now the Desert Inn group will purchase the property, however, it is still in a negotiating stage.

GENERAL ACTIVITIES

[REDACTED] advised that Desert Inn officials have expressed some concern over efforts by Internal Revenue agents to secure access to hotel credit cards and related information.

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However, they have indicated to informant that they have no serious problems with IOU's and markers since they have done nothing wrong in handling these matters. The money collected has been accounted for as hotel proceeds, but in some cases it would be difficult to prove from the books that all the money collected was actually accounted for in the proper manner.

b2
b7C [redacted] advised in November, 1962, that DALITZ and his associates continue to be interested in the possible construction of a new hotel in the Reno, Nevada area. However, they have taken no further specific action in finalizing a deal. DALITZ and [redacted] have been contacted by individuals believed to be [redacted] and others from the Detroit area who have expressed an interest in constructing a similar hotel in Reno. [redacted] and associates have been connected with criminal activities in the Detroit area. [redacted] discouraged them from pursuing the matter further and DALITZ concurred that [redacted] and the others could never secure a gambling license in the State of Nevada because of their backgrounds and associates.

[redacted] advised in November, 1962, that all the owners of record of the Desert Inn and Stardust Hotels have recently been interviewed by FBI Agents. DALITZ has instructed them that if they are subsequently questioned by Agents they are to decline to answer any questions. In the event they are called to testify before a Federal Grand Jury or a Congressional Committee, they are to furnish their name only and furnish no other information whatsoever.

1Date 11/8/62

MORRIS BARNEY DALITZ, was interviewed on October 30, 1962, at the Desert Inn Hotel, Las Vegas, Nevada, [REDACTED]

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b7D
DALITZ was advised that the Department of Justice desired that he be interviewed and asked certain questions relative to his ownership of record in the Desert Inn and Stardust Hotels.

DALITZ was advised that he did not have to answer any questions, that he had a right to consult an attorney, and that any statements he made might be used in a court of law.

DALITZ stated he would not answer any questions, that he did not desire to even hear the questions, and that if he was subpoenaed before a Federal Grand Jury, he would not answer any questions concerning his ownership in these two hotels

DALITZ exhibited a pleasant attitude and conversed freely on subjects such as the weather, tourist trade in Las Vegas and other non-pertinent subjects

b7C
On 10/30/62 at Las Vegas, Nevada File # LV 92-707

SAC [REDACTED] & SA [REDACTED] Date dictated 11/2/62

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CHARACTERIZATION OF INFORMANTS

b2





*In Reply, Please Refer to
File No.*

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Las Vegas, Nevada

November 26, 1962

Title **MORRIS BARNEY DALITZ, aka**

Character **ANTI-RACKETEERING**

Reference **Report of SA [REDACTED]**
dated November 26, 1962, at Las Vegas, Nevada.

All sources (except any listed below) used in referenced communication have furnished reliable information in the past.